News Release

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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 Edged Down in August

The Conference Board Leading Economic Index® (LEI) for the US decreased by 0.1% in August 2026 to 99.5 (2016=100), after an increase of 0.2% in July. As a result, the LEI's six-month growth was –0.1% between February and August 2026, a much smaller rate of decline compared to –0.6% over the previous six months.

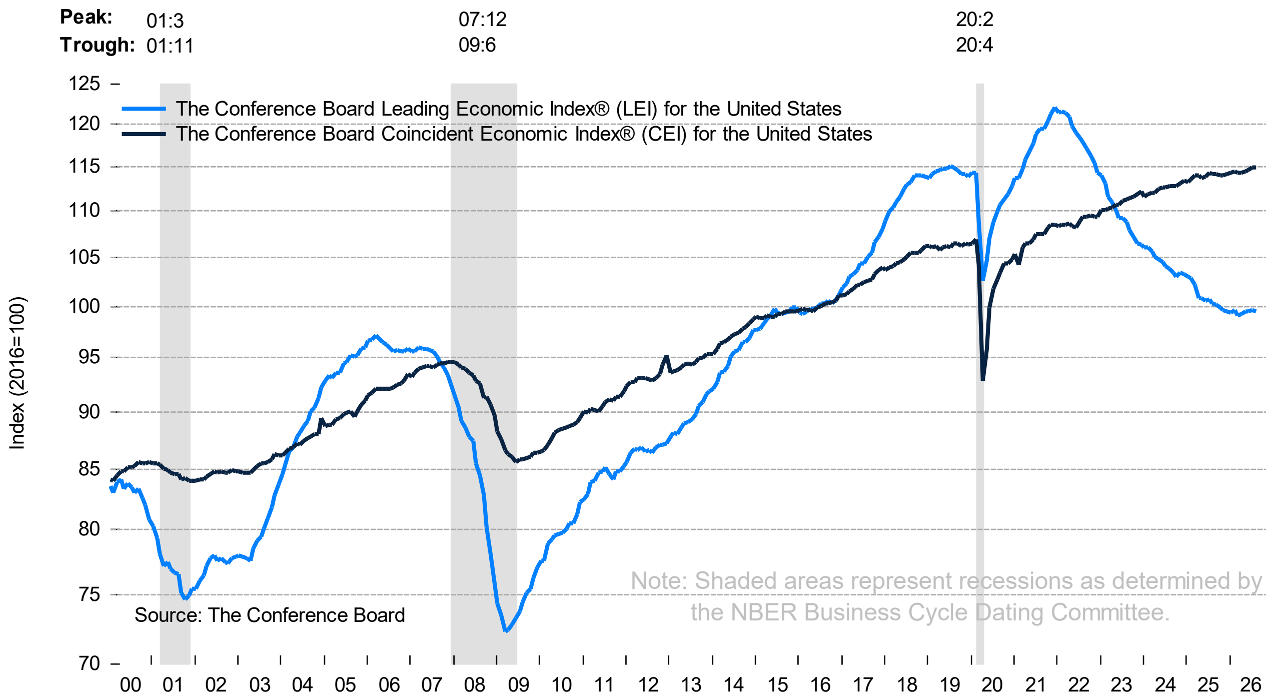
"The US LEI receded slightly in August, the first monthly decline since March of this year," said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board.** "Four out of ten components fell compared to the previous month, with consumer expectations remaining a significant strain on the Index. Building permits also declined on a monthly basis, with decreases in both single- and multi-unit categories and across nearly all regions. The West was the only exception, recording a small increase in total permits. Due to the latest decline, the LEI's six-month growth rate turned back to slightly negative, suggesting a less certain economic environment ahead. The economy is still expanding, but growth is expected to slow. The Conference Board forecasts real GDP to increase at a 1.9% rate in 2026, with our outlook for 2027 downwardly revised from 1.9% to 1.8%."

The Conference Board Coincident Economic Index® (CEI) for the US increased by 0.1% in August 2026 to 114.9 (2016=100), following 0.2% increases in both June and July. Overall, the CEI rose by 0.4% over the six months between February and August 2026, a slightly higher rate of growth than the 0.3% uptick 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 of the CEI made positive contributions last month.

The Conference Board Lagging Economic Index® (LAG) for the US increased by 0.2% in August 2026 to 120.6 (2016=100), after also rising by 0.2% in July. The LAG was up 0.9% between February and August 2026, tripling its 0.3% growth over the prior six months (August 2025 to February 2026).

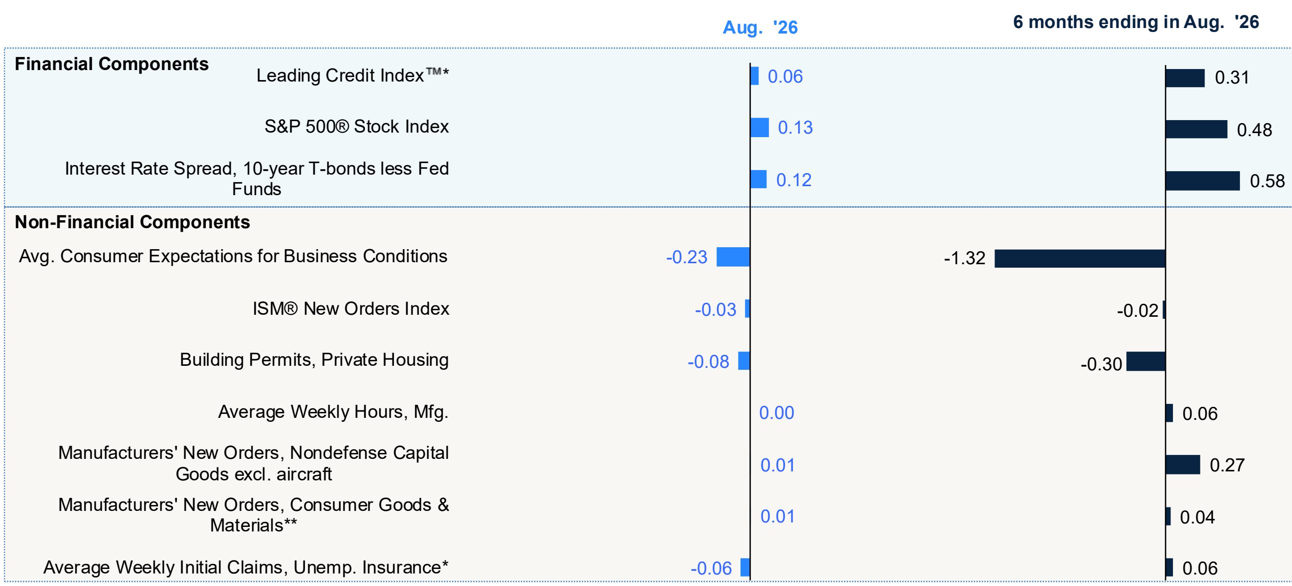
The next release is scheduled for Thursday, October 22, 2026, at 10 A.M. ET.

The US LEI inched down in August



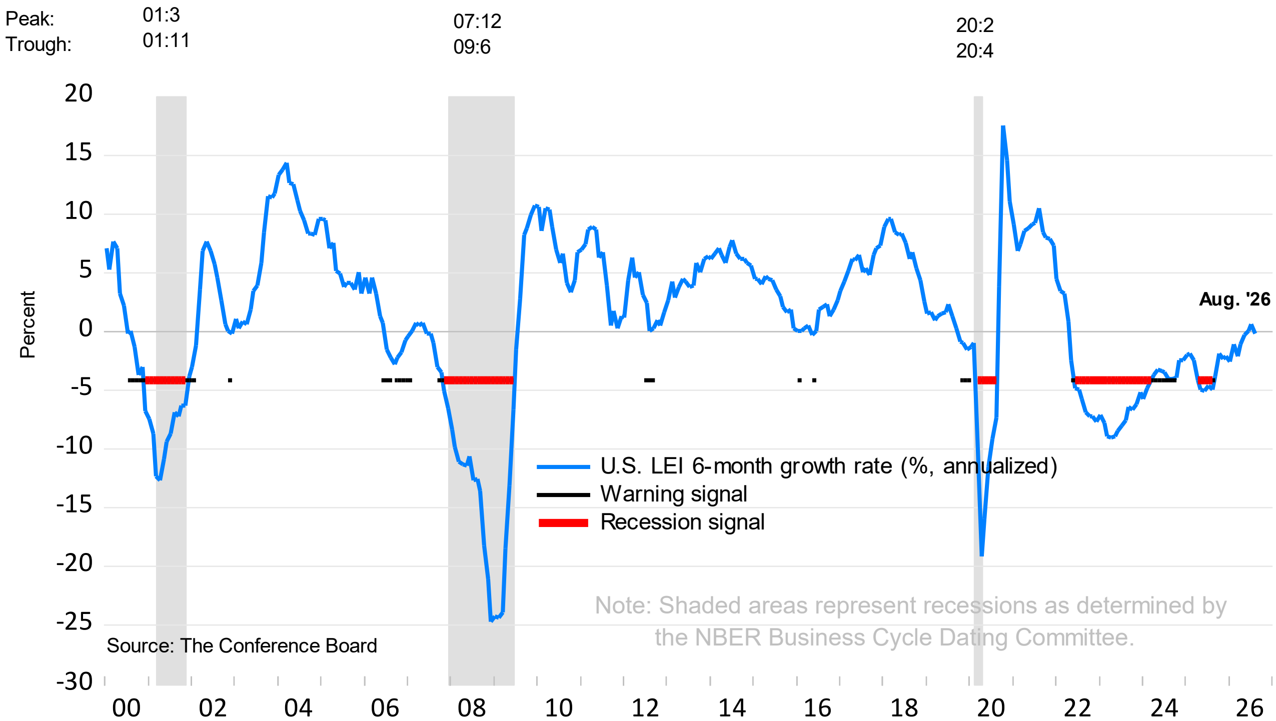
Weak consumer expectations and negative contributions from building permits and jobless claims more than offset positive contributions from financial components

The Conference Board Leading Economic Index® and Component Contributions (Percent)



Source: The Conference Board
* Inverted series; a negative change in this component makes a positive contribution.
** Statistical Imputation
LEI change might not equal sum of its contribiutins due to application of trend adjustment factor

The LEI's six-month growth rate turned back to slightly negative, but the diffusion index remained above 50 and no recession signal was triggered



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

	2026						6-Month
	June		July		August		Feb to Aug
Leading Index	99.4	*r*	99.6	*r*	99.5	*p*	
Percent Change	0.0	*r*	0.2		-0.1		-0.1
Diffusion	60.0		75.0		55.0		70.0
Coincident Index	114.6		114.8		114.9	*p*	
Percent Change	0.2		0.2		0.1		0.4
Diffusion	87.5		87.5		100.0		100.0
Lagging Index	120.2	*r*	120.4		120.6	*p*	
Percent Change	0.0	*r*	0.2		0.2		0.9
Diffusion	50.0		57.1		71.4		35.7

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

Source: The Conference Board

About The Conference Board *Leading Economic Index®* (LEI) and *Coincident Economic Index®* (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®* 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® Index of New Orders
- Manufacturers' new orders for nondefense capital goods excluding aircraft orders
- Building permits for new private housing units
- S&P 500® 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®* for the US** are:
- Payroll employment
- Personal income less transfer payments
- Manufacturing and trade sales
- Industrial production

To access data, please visit: https://www.conference-board.org/data

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