

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 UK Unchanged in August

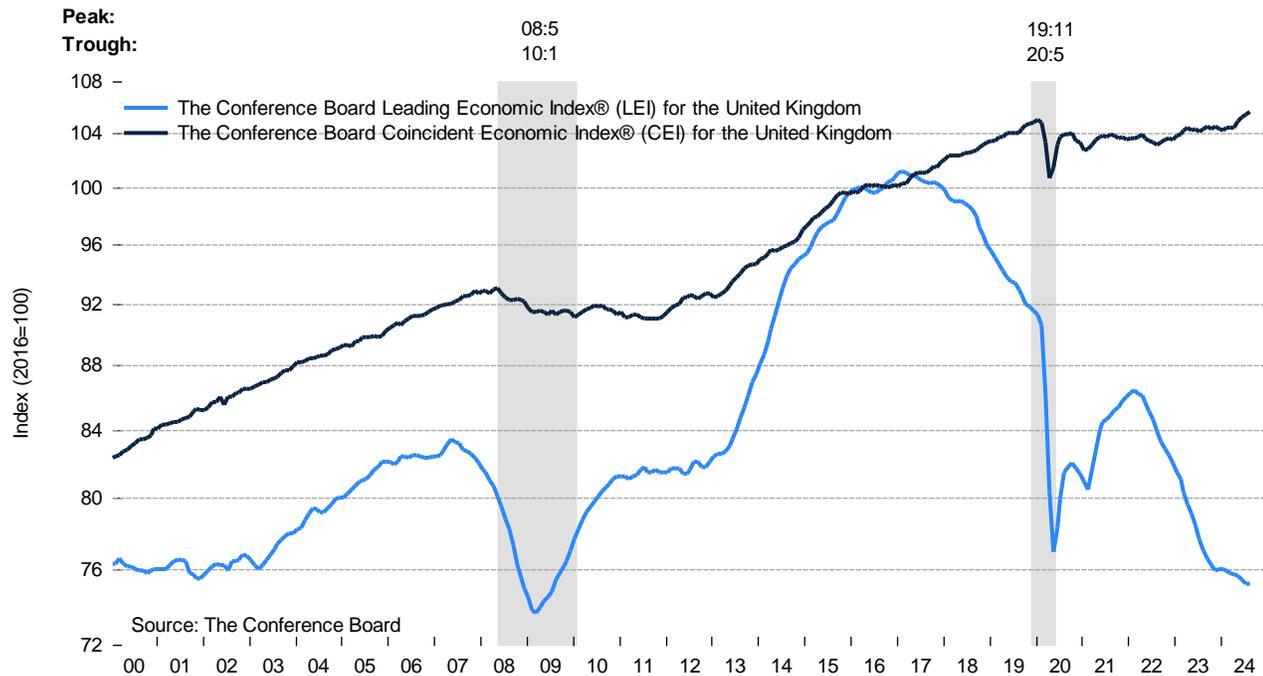
The Conference Board Leading Economic Index® (LEI) for the United Kingdom remained unchanged in August 2024 at 75.2 (2016=100), following a 0.3 percent decline in July. The LEI for the UK contracted by 0.9% over the six-month period between February and August 2024, after contracting by 1.4% over the previous six-month period.

The Conference Board Coincident Economic Index® (CEI) for the United Kingdom rose by 0.2% in August 2024 to 105.6 (2016=100), following another increase of 0.2% in July. Overall, the CEI for the UK grew by 1.1 percent over the six-month period between February and August 2024, a much higher rate than the 0.1 percent increase over the previous six-month period between August 2023 and February 2024.

“The UK LEI held steady in August following a series of successive declines over the previous six months,” said **Allen Li, Associate Economist at The Conference Board**. “As in previous months, the weakness was driven by the negative yield spread, in addition to labor market components, like unemployment claims and working hours. However, for the third month in a row, consumers’ assessment of economic conditions and housing sales expectations improved after having weighed on the Index for much of the past two and a half years. The LEI’s annual growth rate, though still negative, has improved substantially since the beginning of the year, indicating still that headwinds to growth may be lessening. Overall, The Conference Board expects the UK economy to continue to expand at a moderate pace in the second half of 2024, with annual growth reaching 1% in 2024.”

The next release is scheduled for Monday, November 11, 2024, at 9:30 A.M. ET.

The UK LEI held steady in August



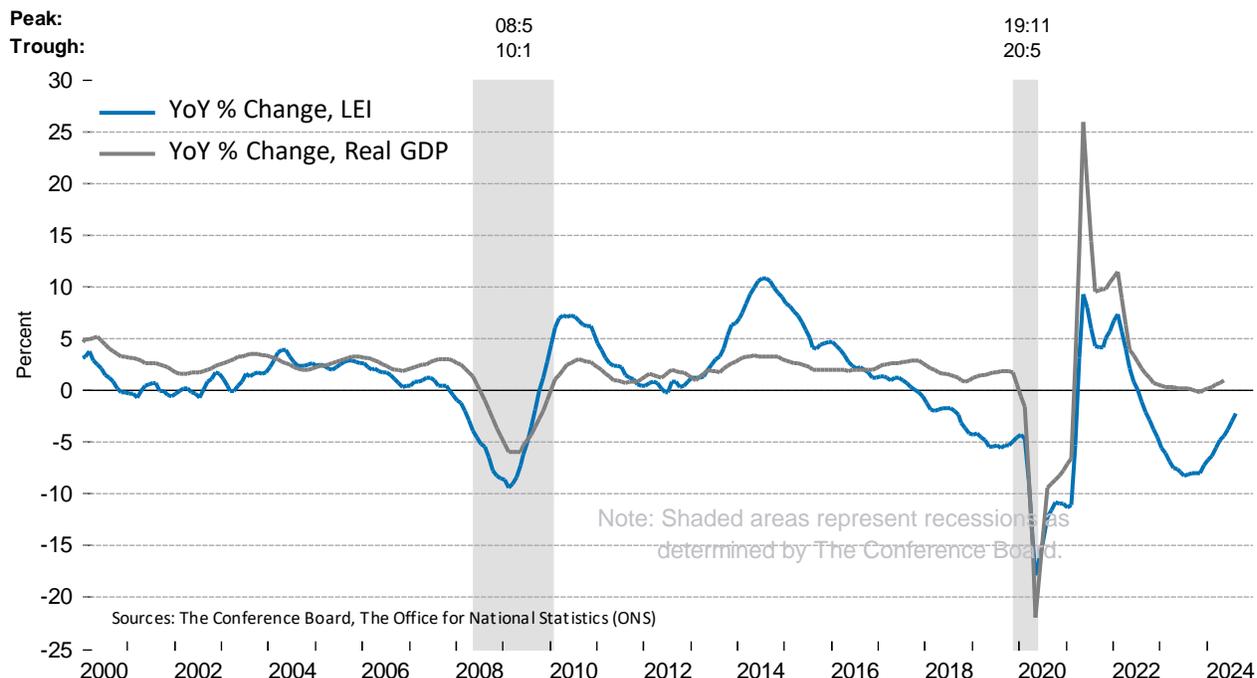
Cooling labor market components continued to weigh on the UK LEI in August

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

	Aug. '24	6 mo. ending Aug. '24
Financial Components		
Yield Spread 10 Year Minus Official Bank Rate	-0.09	-0.55
Stock prices, FTSE all share prices index	0.01	0.26
Non-Financial Components		
Unemployment Claimant Counts*	-0.06	-0.64
Operating Surplus, Corporations (Q)**	0.02	0.15
Housing Sales Expectation for Next 3 Months	0.21	0.37
Weekly Working Hours**	-0.01	-0.10
GfK Consumer Survey: General Economic Situation: Next 12 Mo.	0.02	-0.05
Productivity - Whole Economy (Q)**	0.03	0.18

Source: The Conference Board * Inverted series; a negative change in this component makes a positive contribution.
** Statistical Imputation.— Q: Quarterly series; these series are converted to a monthly series through a linear interpolation.
LEI change might not equal sum of its contributions due to application of trend adjustment factor.

The longer-term trajectory of the UK LEI, though still negative, has improved substantially since the beginning of the year, indicating lessened headwinds to growth



About The Conference Board *Leading Economic Index*® (LEI) and *Coincident Economic Index*® (CEI) for the United Kingdom

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 eleven months.

The eight components of the *Leading Economic Index*® for the U.K. are:

- Unemployment Claimant Counts
- Weekly Working Hours
- GfK Consumer Survey: General Economic Situation: Next 12 months
- Stock prices, FTSE all share prices index
- Yield Spread
- Productivity, Whole Economy
- Total Gross Operating Surplus of Corporations
- Housing Sales Expectation for next 3 months ©

The four components of the *Coincident Economic Index*® for the U.K. are:

- Industrial Production
- Retail Sales
- Employment
- Real Household Disposable Income

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

About The Conference Board

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