

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 Ticked Down in September

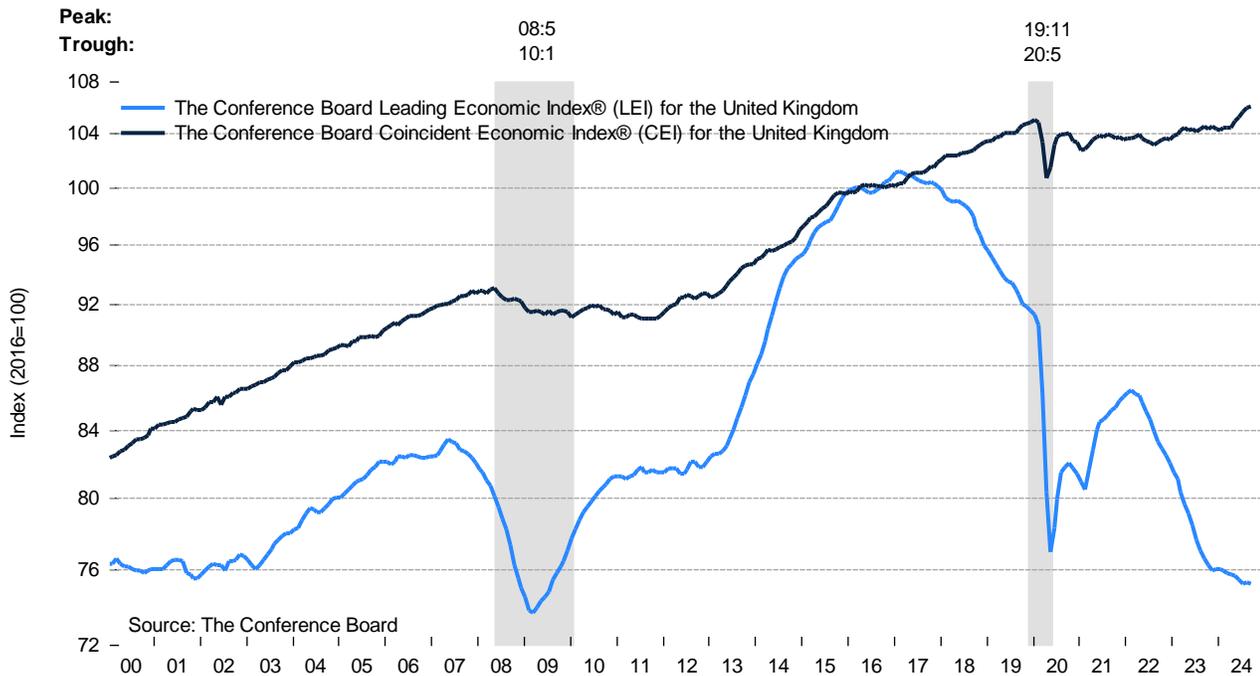
The Conference Board Leading Economic Index® (LEI) for the United Kingdom declined slightly by 0.1% in September 2024 to 75.2 (2016=100), reversing a 0.1% increase in August. The LEI for the UK contracted by 0.8% over the six-month period between March and September 2024, after contracting by 1.0% over the previous six-month period.

The Conference Board Coincident Economic Index® (CEI) for the United Kingdom rose slightly by 0.1% in September 2024 to 106.0 (2016=100), following an increase of 0.3% in August. Overall, the CEI for the UK grew by 1.5% over the six-month period between March and September 2024, a reversal compared to the 0.1% contraction over the previous six-month period, from September 2023 to March 2024.

“The UK LEI ticked down in September,” said **Allen Li, Associate Economist at The Conference Board**. “The decline was driven by higher unemployment claims and the negative yield spread, as in previous months. Additionally, consumer’s assessments of future economic conditions, which had recovered in recent months, weakened in September. While the UK LEI’s six-month growth rate was unchanged in September, it has improved substantially since the beginning of the year as indicated by a lessening pace of decline. The annual growth rate of the LEI has also improved but remained negative. This suggests that headwinds to growth, while still present, are moderating. The recent rate cut by the Bank of England could help further lessen these headwinds and spur investment and consumer spending in 2025. Overall, The Conference Board expects the UK economy to slow somewhat in the second half of 2024, with annual GDP growth reaching 1% for the whole year, before picking up to 1.4% in 2025.”

The next release is scheduled for Thursday, December 12, 2024, at 9:30 A.M. ET.

The UK LEI declined in September



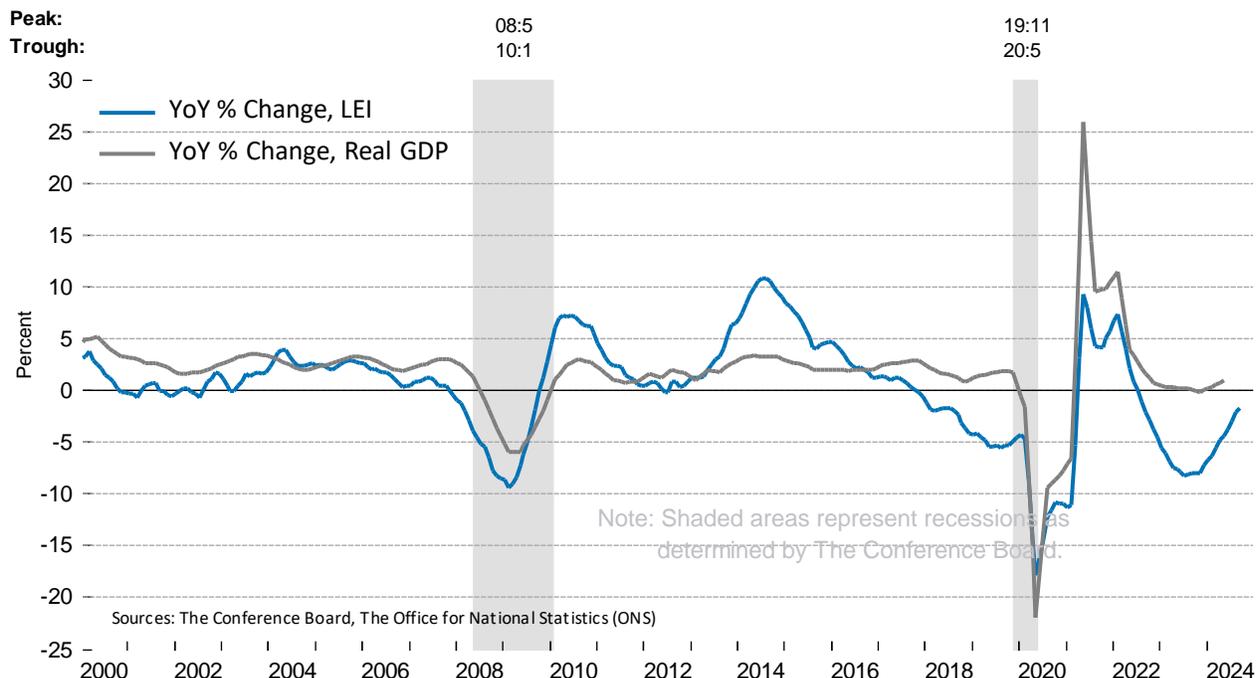
The yield spread, unemployment claims, and consumer expectations weighed on the UK LEI in September, more than offsetting positive contributions from housing sales expectations

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. - 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 annual growth trajectory of the UK LEI has improved substantially since the beginning of the year, suggesting 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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