

News Release

Jonathan Liu (732) 991-1754 / jonathan.liu@tcb.org

For Release 9:30 AM ET, September 12, 2025

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 Slightly in July

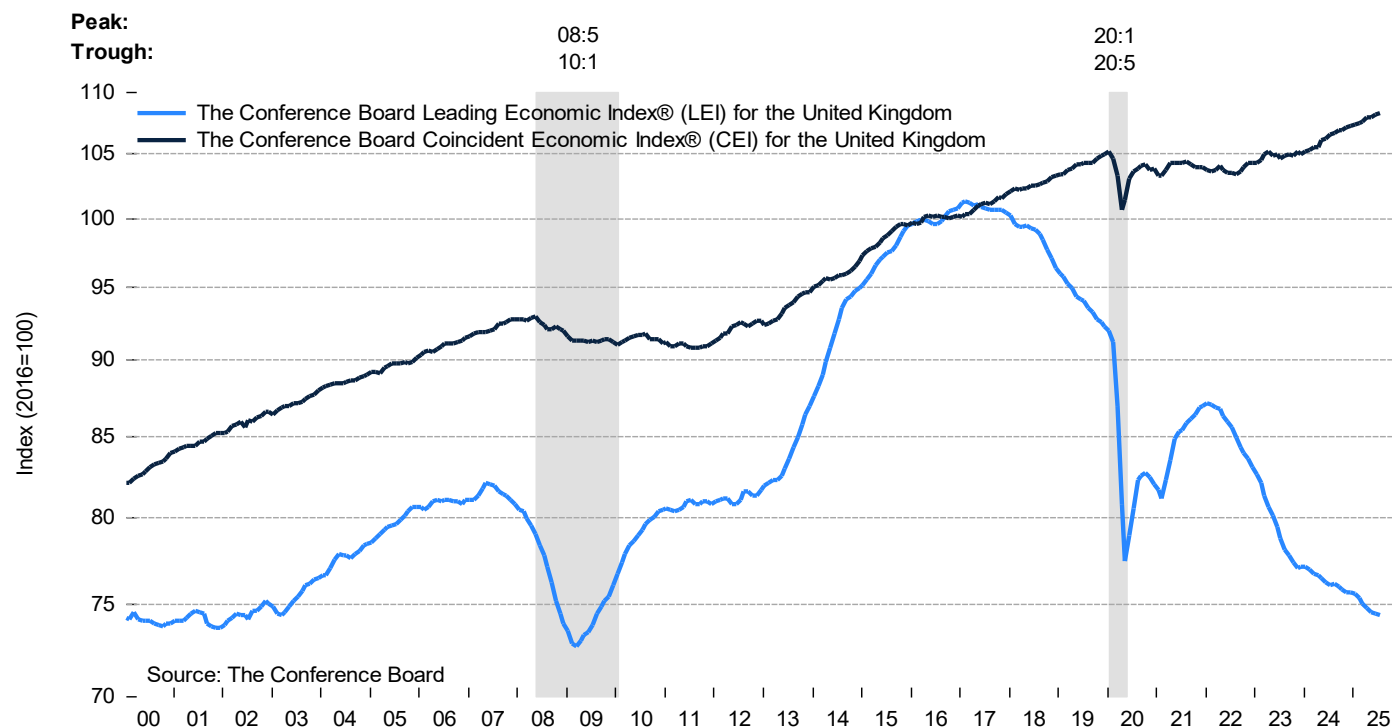
The Conference Board Leading Economic Index® (LEI) for the United Kingdom ticked down by 0.1% in July 2025 to 74.3 (2016=100), after also declining by 0.1% in June. As a result, the UK LEI contracted by 1.6% over the six-month period from January to July 2025, a higher rate of decline than the -0.7% over the previous six-month period between July 2024 and January 2025.

The Conference Board Coincident Economic Index® (CEI) for the United Kingdom increased by 0.1% in July 2025 to 108.2 (2016=100), after expanding by 0.2% in June. Overall, the CEI for the UK grew by 0.8% over the six-month period from January to July 2025, on par with the 0.8% increase observed over the previous six-month period between July 2024 and January 2025.

“The UK LEI continued to decline in July,” said **Timothy Brennan, Economic Research Associate at The Conference Board**. “The UK LEI is still on a downward trend, but the pace of decline has slowed in recent months. In July, as in previous months, the decline was primarily driven by still soft consumer sentiment, lower housing sale expectations, and reduced weekly working hours that more than offset strengths in financial components, productivity, and unemployment claimant counts. While the 6-month growth rate of the UK LEI was above the recession threshold, the warning signal remained because of the weakness among its components. Overall, the LEI reading suggests that economic growth in the United Kingdom will face headwinds in the remainder of 2025 but will remain positive. The Conference Board expects UK GDP to grow by 1.3% in 2025, after meek 1.1% growth in 2024.”

The next release is scheduled for Monday, October 13, 2025, at 9:30 A.M. ET.

The UK LEI continued its downward trend in July



The decline in the UK LEI was driven by weaker consumer expectations, lower housing sale expectations, and reduced weekly working hours

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

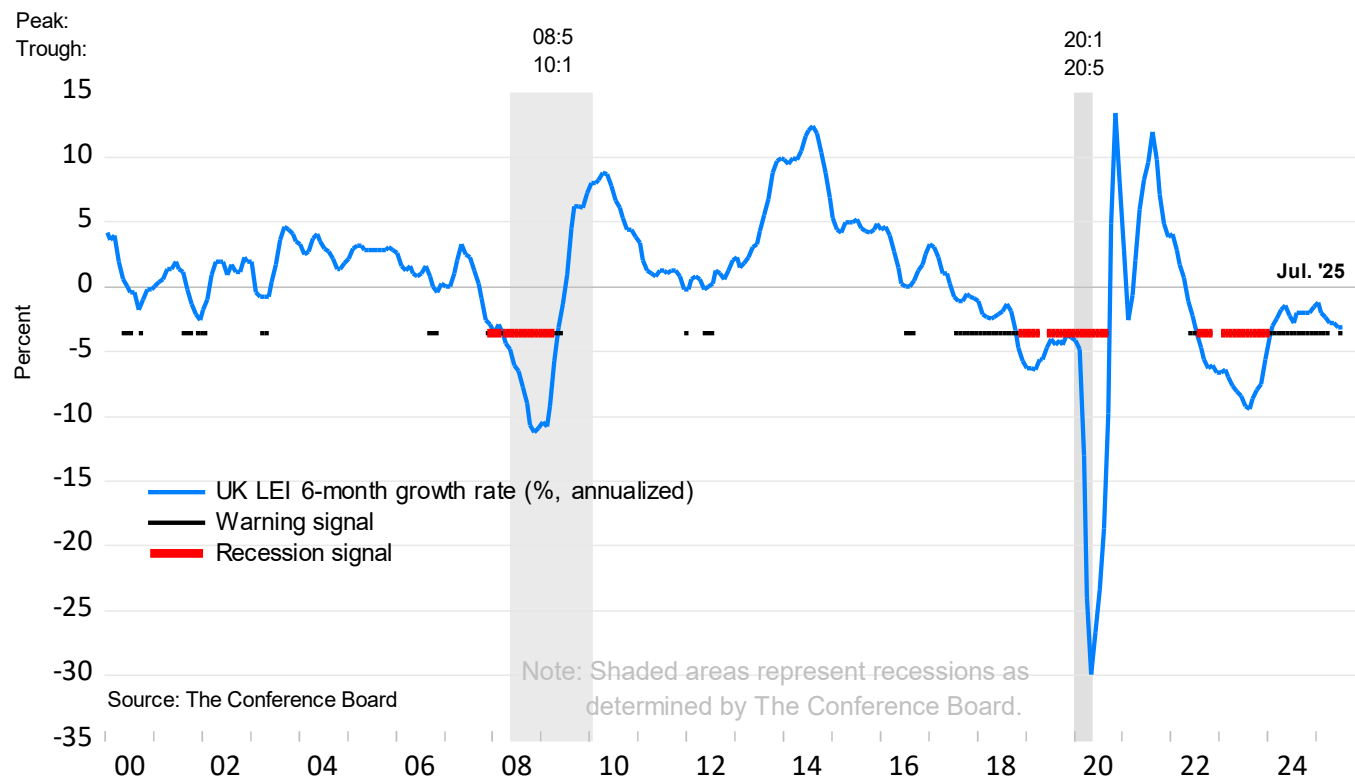
	Jul. '25	6 mo. ending Jul. '25
Financial Components		
Yield Spread 10 Year Minus Official Bank Rate	0.03	0.10
Stock prices, FTSE all share prices index	0.06	0.21
Non-Financial Components		
Unemployment Claimant Counts*	0.02	0.07
Operating Surplus, Corporations (Q)**	0.01	-0.08
Housing Sales Expectation for Next 3 Months	-0.08	-0.72
Weekly Working Hours**	-0.06	-0.12
GfK Consumer Survey: General Economic Situation: Next 12 Mo.	-0.15	-0.89
Productivity - Whole Economy (Q)**	0.03	0.16

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 6-month growth rate of the UK LEI remained above the recession threshold, however, weakness among its components still triggered the warning signal



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 -3.6%. The **red recession signal lines** indicate months when both criteria are met simultaneously—and thus that a recession is likely imminent or underway.

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

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. [ConferenceBoard.org](https://www.conferenceboard.org)