

## News Release

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### **The Conference Board Leading Economic Index® (LEI) for the U.S. Decreased in January**

The February 18, 2022 release incorporates annual benchmark revisions to the U.S. composite economic indexes, which bring them up-to-date with revisions in the source data. These revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed.

In addition, please note that underlying data input for the Leading Credit Index™ (LCI), a component of the LEI, has been updated with the February 2022 release. With this release and going forward, LCI calculations (from 1998 to 2014) use the primary dealers' overnight Treasury repo rate and (from 2014 to the present) the SOFR (90-Day Average Secured Overnight Financing Rate) published by the Federal Reserve Bank of New York instead of the LIBOR rate previously used. LIBOR remains in the LCI calculations from 1990 to 1998. This previously announced change was not implemented in the January 21, 2022 release due to a technical error.

As a result, these benchmark revisions, the entire history of the U.S. composite economic indexes have been revised, in levels and month-on-month changes, and will not be directly comparable to data issued prior to this benchmark revision, including the January 2022 benchmark. These revisions do not change the cyclical properties of the indexes.

For more information, please visit [conference-board.org/data/bci.cfm](https://conference-board.org/data/bci.cfm) or contact us at [indicators@conference-board.org](mailto:indicators@conference-board.org)

**NEW YORK, February 18, 2022...**The Conference Board Leading Economic Index® (LEI) for the U.S. decreased by 0.3 percent in January to 119.6 (2016 = 100), following a 0.7 percent increase in December and a 0.8 percent increase in November.

“The U.S. LEI posted a small decline in January, as the Omicron wave, rising prices, and supply chain disruptions took their toll,” said **Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board**. “Initial claims for unemployment insurance, consumers’ outlook and declines in stock prices, and the average work week in manufacturing all contributed to the decline—the first since February 2021.

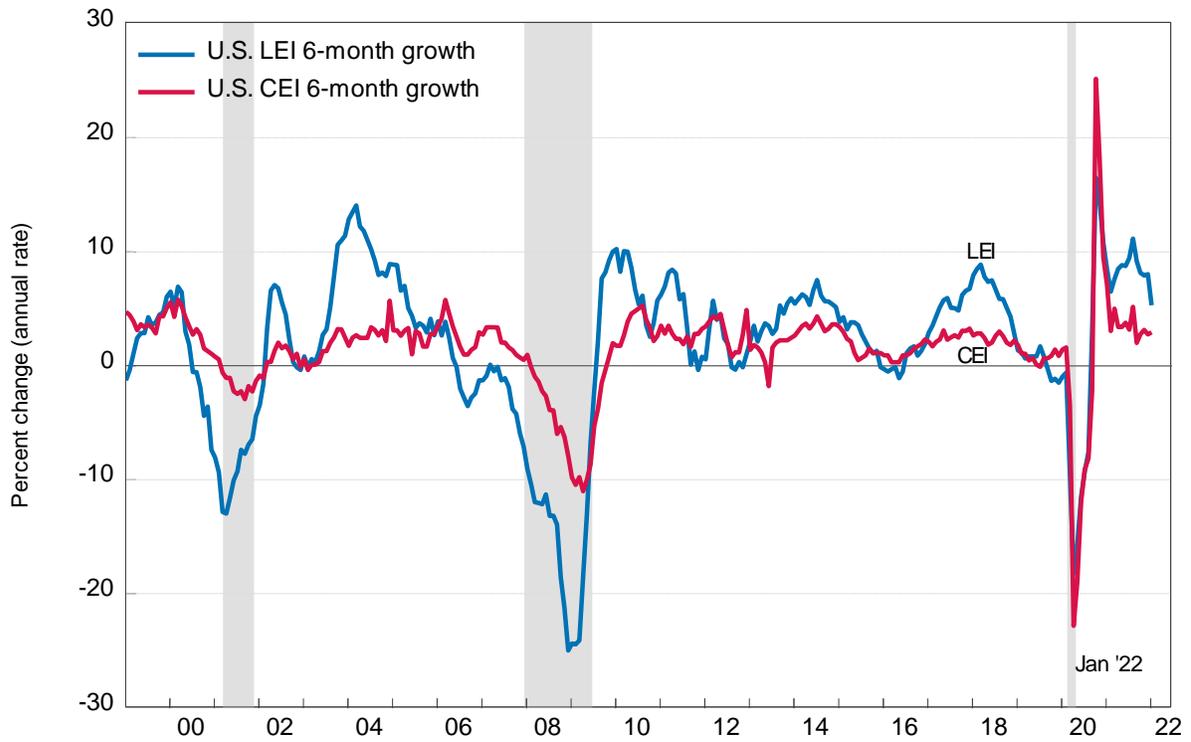
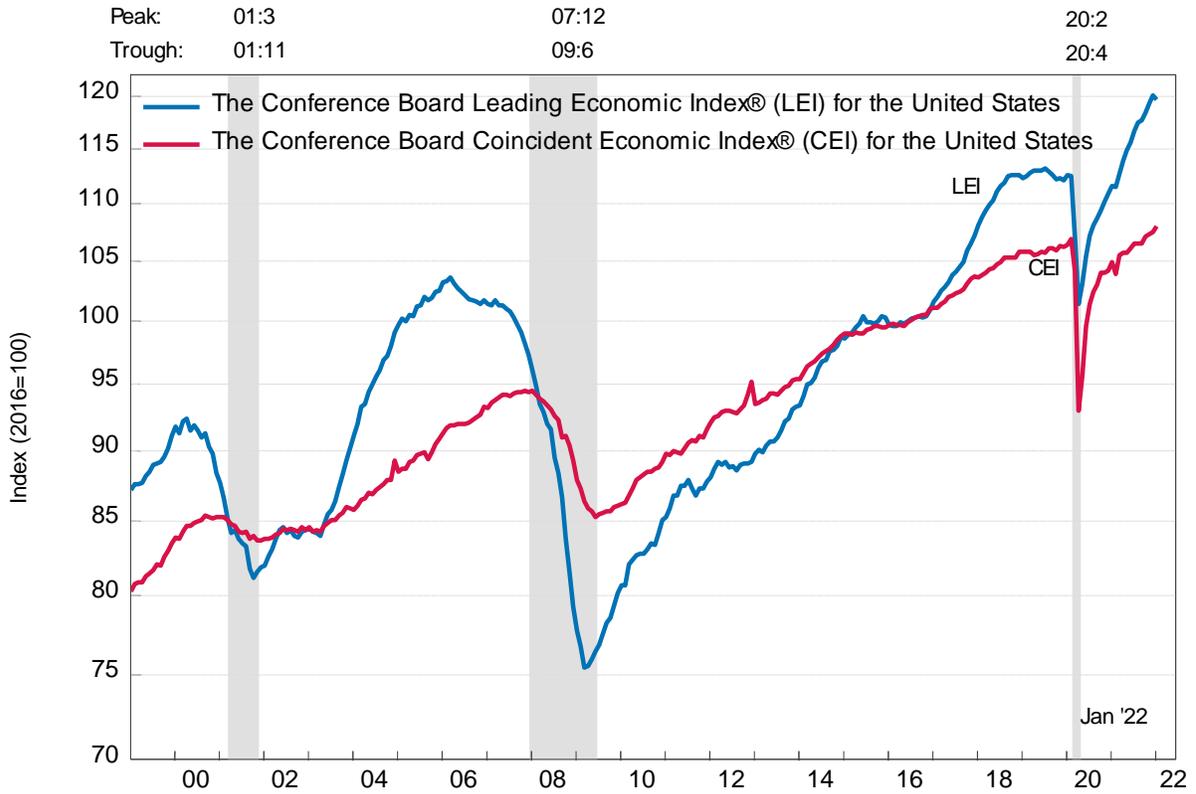
“Despite this month’s decline and a deceleration in the LEI’s six-month growth rate, widespread strengths among the leading indicators still point to continued, albeit slower, economic growth into the spring. However, labor shortages, inflation, and the potential of new COVID-19 variants pose risks to growth in the near term. The Conference Board forecasts GDP growth for Q1 to slow somewhat from the very rapid pace of Q4 2021. Still, the US economy is projected to expand by a robust 3.5 percent year-over-year in 2022—well above the pre-pandemic growth rate, which averaged around 2 percent.”

**The Conference Board Coincident Economic Index® (CEI)** for the U.S. increased by 0.5 percent in January to 107.9 (2016 = 100), following a 0.2 percent increase in both December and November.

**The Conference Board Lagging Economic Index® (LAG)** for the U.S. increased by 0.7 percent in January to 110.2 (2016 = 100), following a 0.4 percent increase in December and a 0.1 percent increase in November.

The next release is scheduled for Friday, March 18, 2022, at 10 A.M. ET.

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Latest LEI Trough April 2020, Latest CEI Trough April 2020

Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee.

Source: The Conference Board

## Summary Table of Composite Economic Indexes

	Nov	2021 Dec	2022 Jan	6-month Jul to Jan
Leading Index	119.2	r 120.0	r 119.6	p
Percent Change	0.8	r 0.7	r -0.3	p 2.6
Diffusion	70	70	60	70
Coincident Index	107.2	107.4	107.9	p
Percent Change	0.2	r 0.2	0.5	p 1.4
Diffusion	50	62.5	100	100
Lagging Index	109.0	r 109.4	110.2	p
Percent Change	0.1	0.4	r 0.7	p 1.9
Diffusion	50	71.4	71.4	78.6

p Preliminary r Revised  
Indexes equal 100 in 2016  
Source: The Conference Board

### **About The Conference Board Leading Economic Index<sup>®</sup> (LEI) for the U.S.**

The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading, coincident, and lagging economic indexes are essentially composite averages of several individual leading, coincident, or lagging indicators. They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component – primarily because they smooth out some of the volatility of individual components.

The ten components of **The Conference Board Leading Economic Index<sup>®</sup>** for the U.S. include:

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

For full press release and technical notes: <http://www.conference-board.org/data/bcicountry.cfm?cid=1>

For more information about The Conference Board global business cycle indicators:  
<http://www.conference-board.org/data/bci.cfm>

### **About The Conference Board**

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