



The Conference Board Leading Economic Index® (LEI) for the US Plunged in April

Updated 19 May 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.

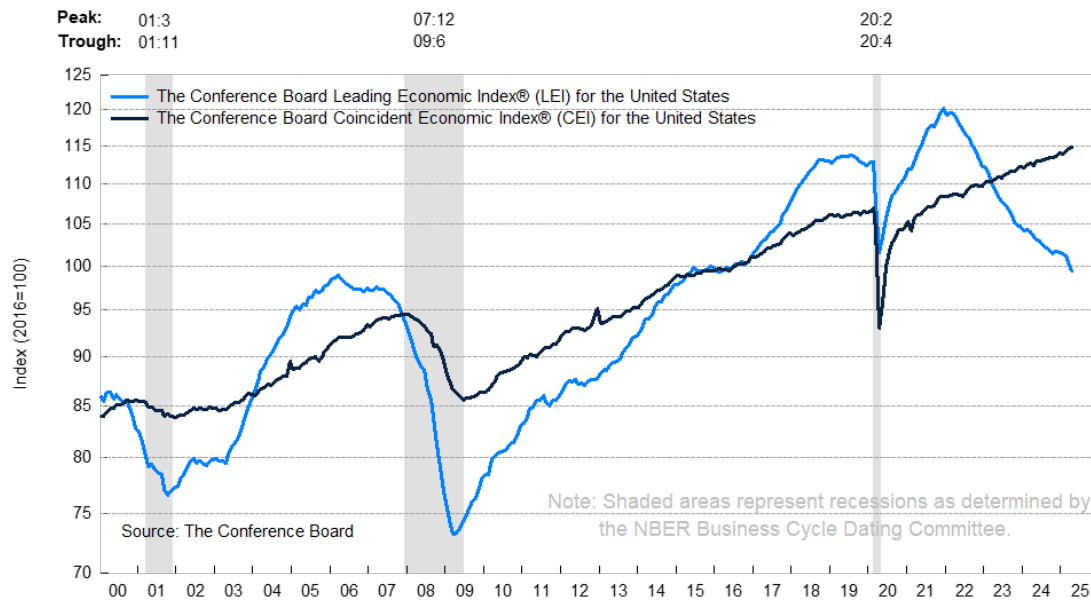
The Conference Board Leading Economic Index® (LEI) for the US fell sharply by 1.0% in April 2025 to 99.4 (2016=100), after declining by 0.8% in March (revised downward from the -0.7% originally reported). The LEI declined by 2.0% in the six-month period ending April 2025, the same rate of decline as over the previous six months (April–October 2024).

"The U.S. LEI registered its largest monthly decline since March 2023, when many feared the US was headed into recession, which did not ultimately materialize," said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board**. "Most components of the index deteriorated. Notably, consumers' expectations have become continuously more pessimistic each month since January 2025, while the contribution of building permits and average working hours in manufacturing turned negative in April. Widespread weaknesses were also present when looking at six-month trends among the LEI's components, resulting in a warning signal for growth. However, while the six-month growth rate of the LEI went deeper into negative territory, it did not fall enough to trigger the recession signal. The Conference Board currently forecasts US real GDP to grow by 1.6% in 2025, down from 2.8% in 2024, with the bulk of the impact of tariffs likely to hit the economy in Q3."

The Conference Board Coincident Economic Index® (CEI) for the US inched up by 0.1% in April 2025 to 114.8 (2016=100), after a 0.3% increase in March. The CEI rose by 1.1% over the six-month period between October 2024 and April 2025, slightly up from its 0.9% growth 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. Industrial production, while little changed compared to the previous month, was the weakest contributor to the index in April.

The Conference Board Lagging Economic Index® (LAG) for the US increased by 0.3% to 119.3 (2016=100) in April 2025, after a 0.1% decrease in March. The LAG's six-month growth rate was also positive at 0.8% between October 2024 and April 2025—a reversal of its 0.8% decline over the previous six months (April–October 2024).

The LEI fell for the fifth consecutive month in April



Weakness across nearly all of the LEI's ten components fueled April's decline

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

	Apr. '25	6 months ending in Apr. '25
Financial Components		
Leading Credit Index™*	0.02	-0.02
S&P 500® Stock Index	-0.24	-0.31
Interest Rate Spread, 10-year T-bonds less Fed Funds	-0.01	-0.01
Non-Financial Components		
Avg. Consumer Expectations for Business Conditions	-0.33	-0.93
ISM® New Orders Index	-0.17	-0.72
Building Permits, Private Housing	-0.14	-0.03
Average Weekly Hours, Mfg.	-0.12	0.24
Manufacturers' New Orders, Nondefense Capital Goods excl. aircraft**	0.03	0.10
Manufacturers' New Orders, Consumer Goods & Materials**	0.01	0.08
Average Weekly Initial Claims, Unemp. Insurance*	-0.03	-0.01

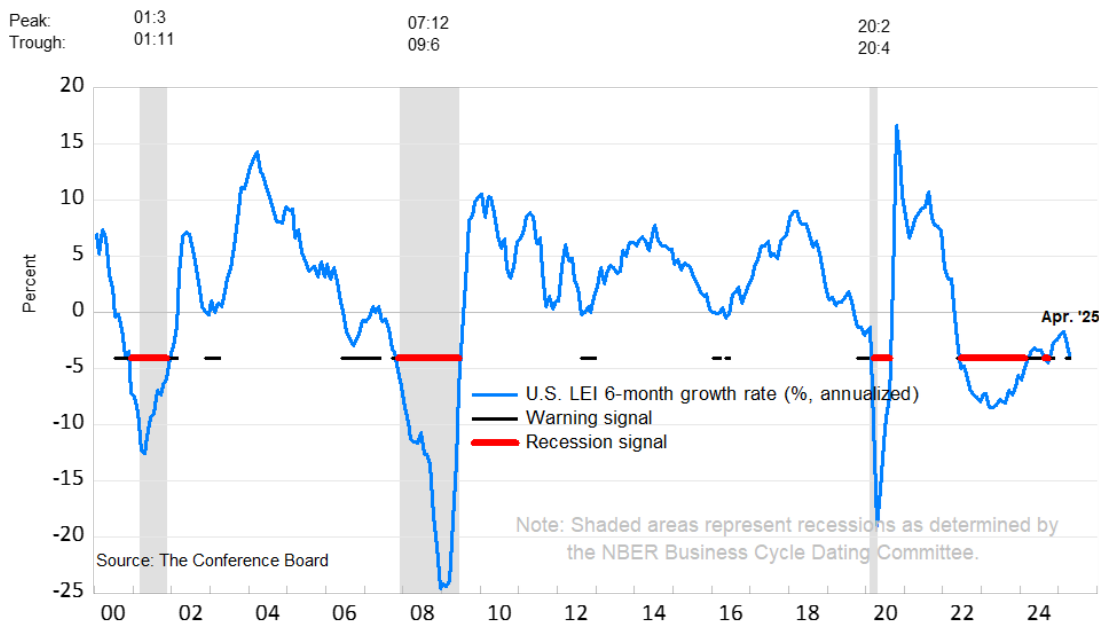
Source: The Conference Board

* Inverted series; a negative change in this component makes a positive contribution.

** Statistical Imputation

LEI change might not equal sum of its contributions due to application of trend adjustment factor

The LEI's six-month growth rate declined further in April, but remained slightly above the recession signal threshold



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 -4.1%. 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

	2025			6-Month Oct to Apr
	February	March	April	
Leading Index	101.2	100.4 <i>r</i>	99.4 <i>p</i>	
Percent Change	-0.2	-0.8 <i>r</i>	-1.0	-2.0
Diffusion	40.0	35.0	30.0	35.0
Coincident Index	114.4 <i>r</i>	114.7 <i>r</i>	114.8 <i>p</i>	
Percent Change	0.4 <i>r</i>	0.3 <i>r</i>	0.1	1.1
Diffusion	87.5	75.0	87.5	100.0
Lagging Index	119.0 <i>r</i>	118.9 <i>r</i>	119.3 <i>p</i>	
Percent Change	0.3	-0.1	0.3	0.8
Diffusion	57.1	28.6	57.1	42.9

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://data-central.conference-board.org/>

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