The Conference Board Leading Economic Index® (LEI) for the US Edged Up in July

Updated 20 August 2026

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.*

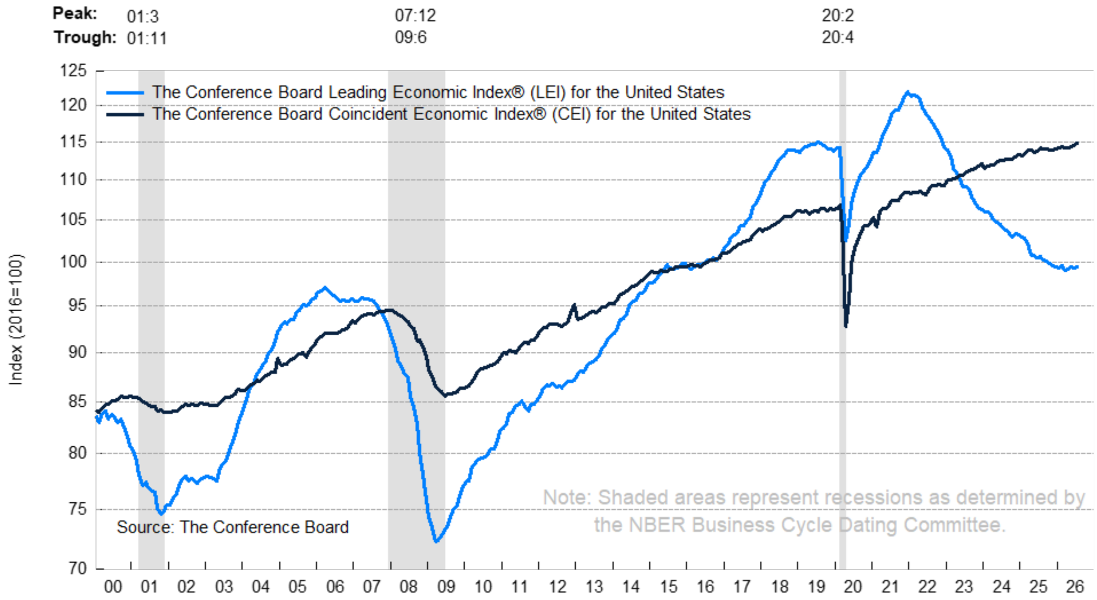
The Conference Board Leading Economic Index® (LEI) for the US increased by 0.2% in July 2026 to 99.5 (2016=100), after an upwardly revised decline of 0.1% in June. As a result, the LEI's six-month growth rate turned positive, to an increase of 0.2% between January and July 2026, a sharp reversal from its 1.3% contraction over the previous six months.

"The Leading Index for the US ticked up in July, marking the fourth increase over the past six months," said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board.** "Most components were positive in July except consumer expectations, which continued to be a notable drag on the overall index. With the most recent gains, the LEI's six-month growth rate turned positive for the first time in more than four years, suggesting moderate growth ahead. The economy should keep expanding, but growth is expected to be driven by business investments in AI, while the higher cost of living may reduce consumer spending, especially by lower- and middle-income households. Consequently, The Conference Board continues to forecast real GDP growth of 1.9% in 2026 and 1.9% in 2027."

The Conference Board Coincident Economic Index® (CEI) for the US increased by 0.2% in July 2026 to 114.8 (2016=100), following a 0.2% increase in June. Overall, the CEI expanded by 0.5% over the six months between January and July 2026, after remaining flat 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. All components of the CEI, except for payroll employment, made positive contributions last month.

The Conference Board Lagging Economic Index® (LAG) for the US increased by 0.2% in July 2026 to 120.4 (2016=100). Despite the month-over-month increase, the level of the index was still below the preliminary June level of 120.5 (2016=100), due to downward revisions from April to June 2026. The LAG was up 0.8% between January and July 2026, doubling its 0.4% growth over the prior six months (July 2025 to January 2026).

The US LEI edged up in July marking the fourth increase over the past six months



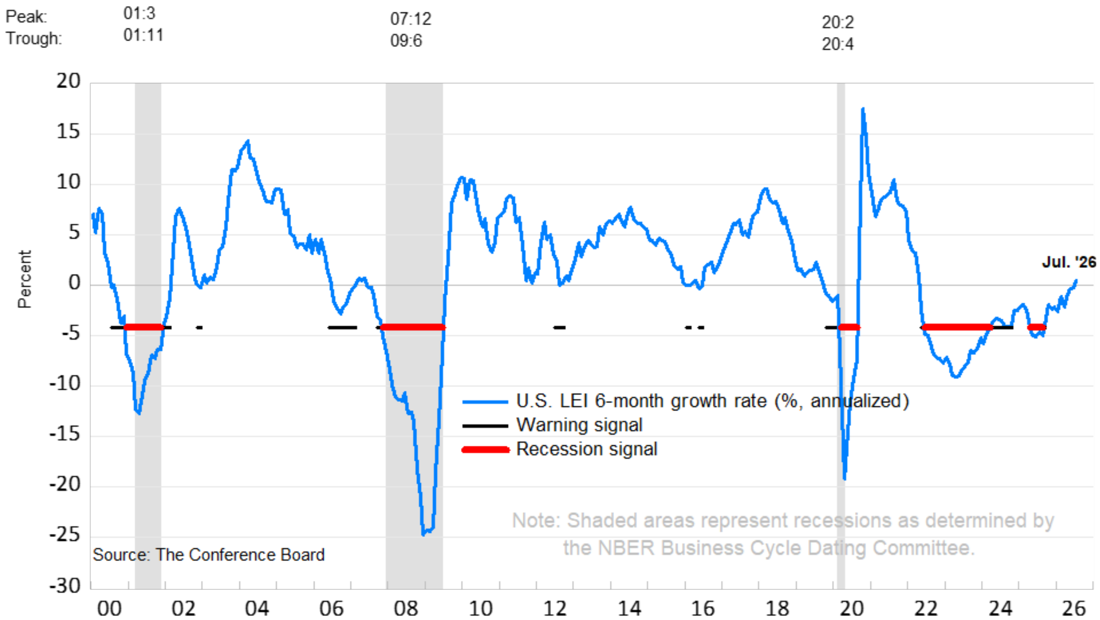
Consumer expectations remained weak, but the drag was more than offset by positive contribiutons from jobless claims and building permits

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

		Jul. '26	6 months ending in Jul. '26
Financial Components	Leading Credit Index™*	0.05	0.22
	S&P 500® Stock Index	0.02	0.33
	Interest Rate Spread, 10-year T-bonds less Fed Funds	0.11	0.52
Non-Financial Components			
	Avg. Consumer Expectations for Business Conditions	-0.19	-1.26
	ISM® New Orders Index	0.03	0.02
	Building Permits, Private Housing	0.15	0.11
	Average Weekly Hours, Mfg.	0.00	0.18
	Manufacturers' New Orders, Nondefense Capital Goods excl. aircraft	-0.03	0.30
	Manufacturers' New Orders, Consumer Goods & Materials**	0.01	0.05
	Average Weekly Initial Claims, Unemp. Insurance*	0.16	0.10

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 contribiutins due to application of trend adjustment factor

The LEI's six-month growth rate turned postive for the first time in over four years



***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 −4.3%. 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

	2026			6-Month
	May	June	July	Jan to Jul
Leading Index	99.4 *r*	99.3 *r*	99.5 *p*	
Percent Change	0.2 *r*	-0.1 *r*	0.2	0.2
Diffusion	55.0	60.0	75.0	90.0
Coincident Index	114.4	114.6	114.8 *p*	
Percent Change	0.1 *r*	0.2	0.2	0.5
Diffusion	75.0	87.5	87.5	75.0
Lagging Index	120.2 *r*	120.1 *r*	120.4 *p*	
Percent Change	-0.2 *r*	-0.1 *r*	0.2	0.8
Diffusion	21.4	50.0	50.0	35.7

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://www.conference-board.org/data

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 nonpartisan, not-for-profit organization holding 501 (c) (3) tax-exempt status in the United States. TCB.org I Learn about Membership

The next release is scheduled for Friday, September 18, 2026, at 10 A.M. ET.

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