

# The Conference Board Leading Economic Index® (LEI) for the US Declined in October

***Updated 19 November 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.*

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**The Conference Board Leading Economic Index®** (LEI) for the US fell by 0.3% in October 2026 to 99.3 (2016=100), after being unchanged in September. Nevertheless, the LEI grew by 0.1% between April and October 2026, a slight reversal from its decline of 0.6% over the previous six months (October 2025 to April 2026).

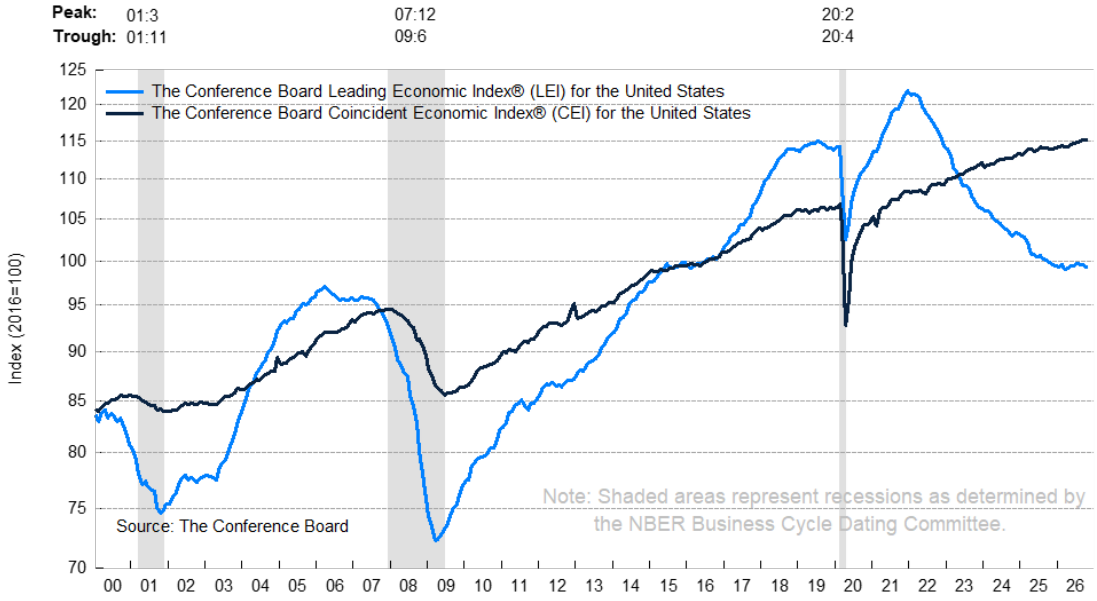
"The US LEI's decline in October was mostly fueled by fewer building permits," said **Justyna Zabinska-La Monica, Senior Manager, Business Cycle Indicators, at The Conference Board.** "Building permits data were at the weakest level since May 2020, during the pandemic. Compared to September and one year ago, permits declined across all categories, including by type of dwelling and region. The only exception was the Midwest, where total permits were up slightly since September and 8.1% over the last 12 months."

"Beyond building permits, consumer expectations for business conditions, average hours worked in manufacturing, and manufacturers' new orders for nondefense capital goods were also negative contributors. Weakness in these components more than offset gains in others, except for the ISM® New Orders Index, which was flat. However, the LEI's six-month growth rate remained positive, indicating continued economic expansion ahead, but increasingly investment-led with softer household demand. The Conference Board expects real GDP to grow by 2.3% y/y in 2026 and 2.1% y/y in 2027."

**The Conference Board Coincident Economic Index®** (CEI) for the US was unchanged in October 2026 at 115.1 (2016=100), following a downward revised 0.1% increase in September. Overall, the CEI rose by 0.7% over the six months between April and October 2026, up from growth of 0.4% over the previous six months. The CEI's four components—payroll employment, personal income less transfer payments, manufacturing and trade sales, and industrial production—are included in the data used to determine recessions in the US. All components of the CEI besides industrial production made positive contributions last month.

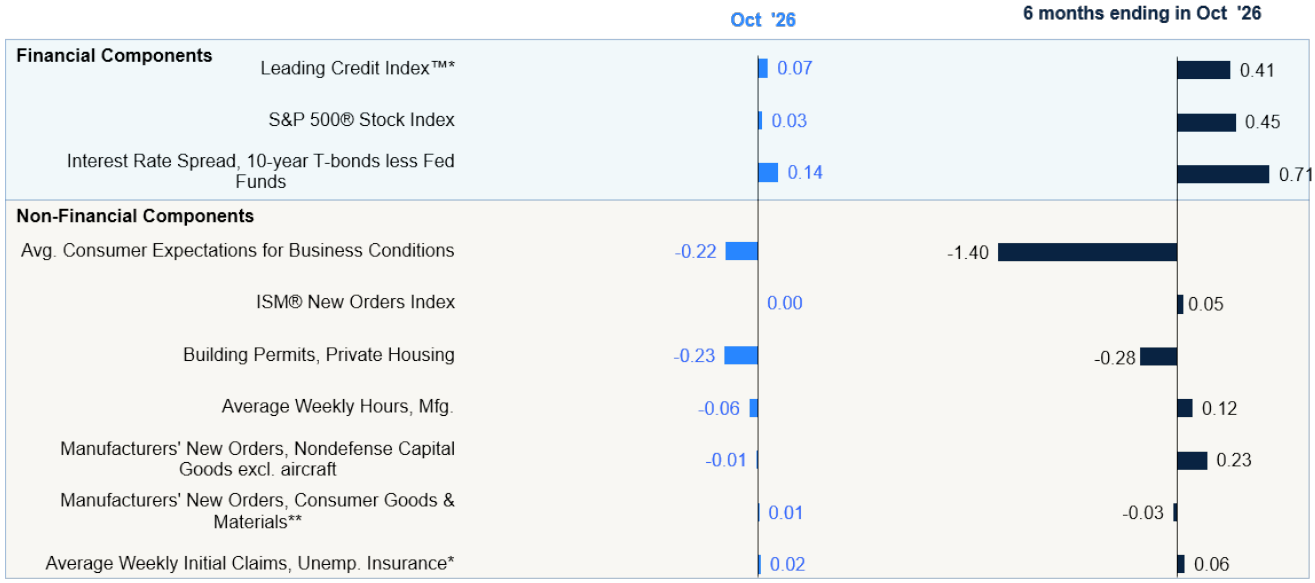
**The Conference Board Lagging Economic Index®** (LAG) for the US was also unchanged in October 2026 at 121.3 (2016=100), following an upwardly revised 0.7% increase in September. The LAG was up 0.7% between April and October 2026, slightly below its 0.8% growth rate over the previous six months.

## The US LEI declined in October



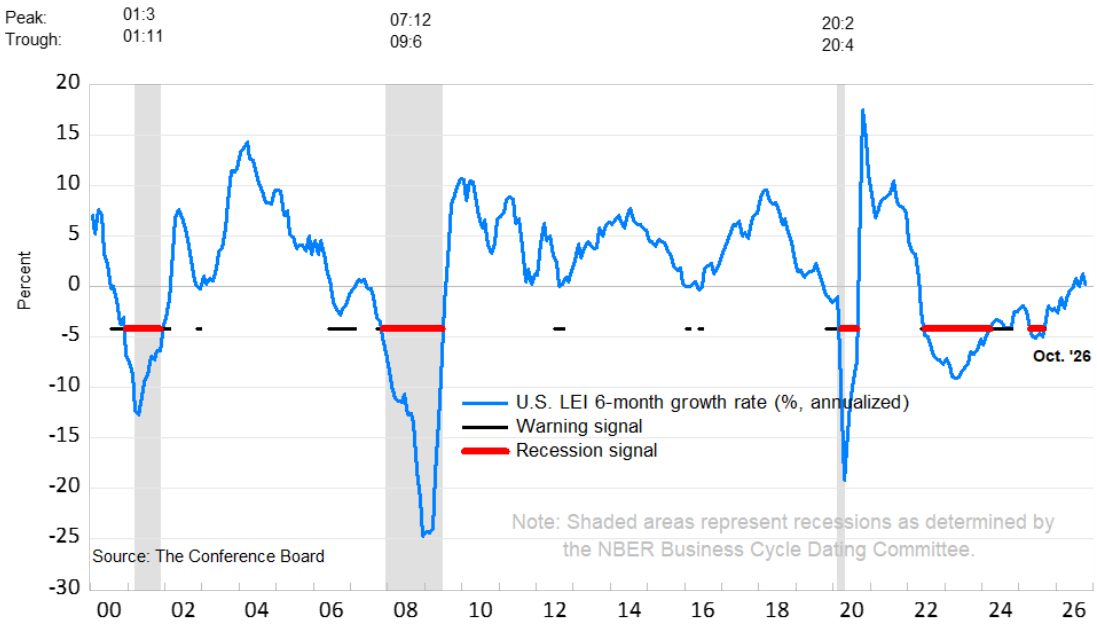

**Falling building permits and weak consumer expectations led the LEI dip in October**

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

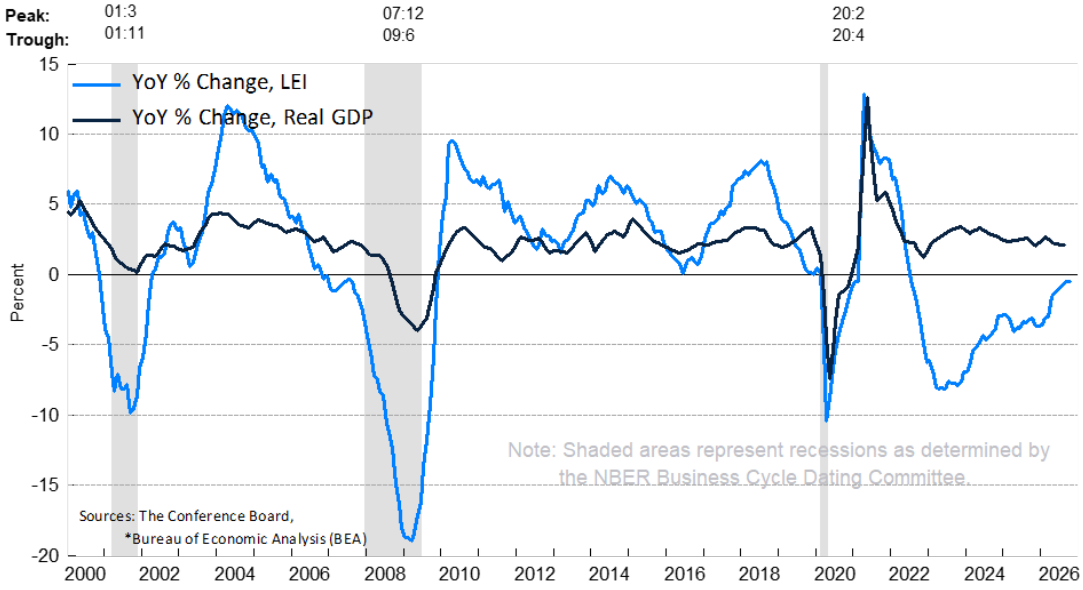
**The LEI's six-month growth rate fell slightly but remained positive, pointing to moderate expansion ahead**




***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.*

## The LEI growth rate strengthened marginally in October




## Summary Table of Composite Economic Indexes

| | 2026 | | | 6-Month |
|---|---|---|---|---|
| | August | September | October | Apr to Oct |
| **Leading Index** | 99.6 | 99.6 | 99.3 *p* | |
| Percent Change | -0.1 | 0.0 | -0.3 | 0.1 |
| Diffusion | 45.0 | 65.0 | 55.0 | 70.0 |
| **Coincident Index** | 115.0 | 115.1 *r* | 115.1 *p* | |
| Percent Change | 0.1 | 0.1 *r* | 0.0 | 0.7 |
| Diffusion | 50.0 | 62.5 | 75.0 | 100.0 |
| **Lagging Index** | 120.5 | 121.3 *r* | 121.3 *p* | |
| Percent Change | 0.2 | 0.7 *r* | 0.0 | 0.7 |
| Diffusion | 57.1 | 100.0 | 42.9 | 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://www.conference-board.org/data

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

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