

News Release

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

CORRECTION: 4:55 P.M. ET, Friday, January 21, 2022

The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in December

CORRECTION: Due to a programming error, the Lagging Economic Index (LAG) component Change in Labor Cost/Unit Output in Manufacturing was omitted in the release issued on Jan. 21, 2022 @ 10AM ET. The error has been corrected and the entire history has now been updated.

In addition, the release did not include the previously announced revision to the components for the Leading Credit Index™ (LCI). These changes will be incorporated in the February 2022 release.

The LEI and CEI readings were not impacted.

BENCHMARK NOTICE: The January 2022 release incorporates annual benchmark revisions to the 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. As a result, the revised indexes, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision.

For more information, please visit <http://www.conference-board.org/data/bci.cfm> or contact us at indicators@conference-board.org

NEW YORK, January 21, 2022...The Conference Board Leading Economic Index® (LEI) for the U.S. increased by 0.8 percent in December to 120.8 (2016 = 100), following a 0.7 percent increase in November and a 0.7 percent increase in October.

“The U.S. LEI ended 2021 on a rising trajectory, suggesting the economy will continue to expand well into the spring,” said **Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board**. “For the first quarter, headwinds from the Omicron variant, labor shortages, and inflationary pressures—as well as the Federal Reserve’s expected interest rate hikes—may moderate economic growth. The Conference Board forecasts GDP growth for Q1 2022 to slow to a relatively healthy 2.2 percent (annualized). Still, for all of 2022, we forecast the US economy will expand by a robust 3.5 percent—well above the pre-pandemic trend growth.”

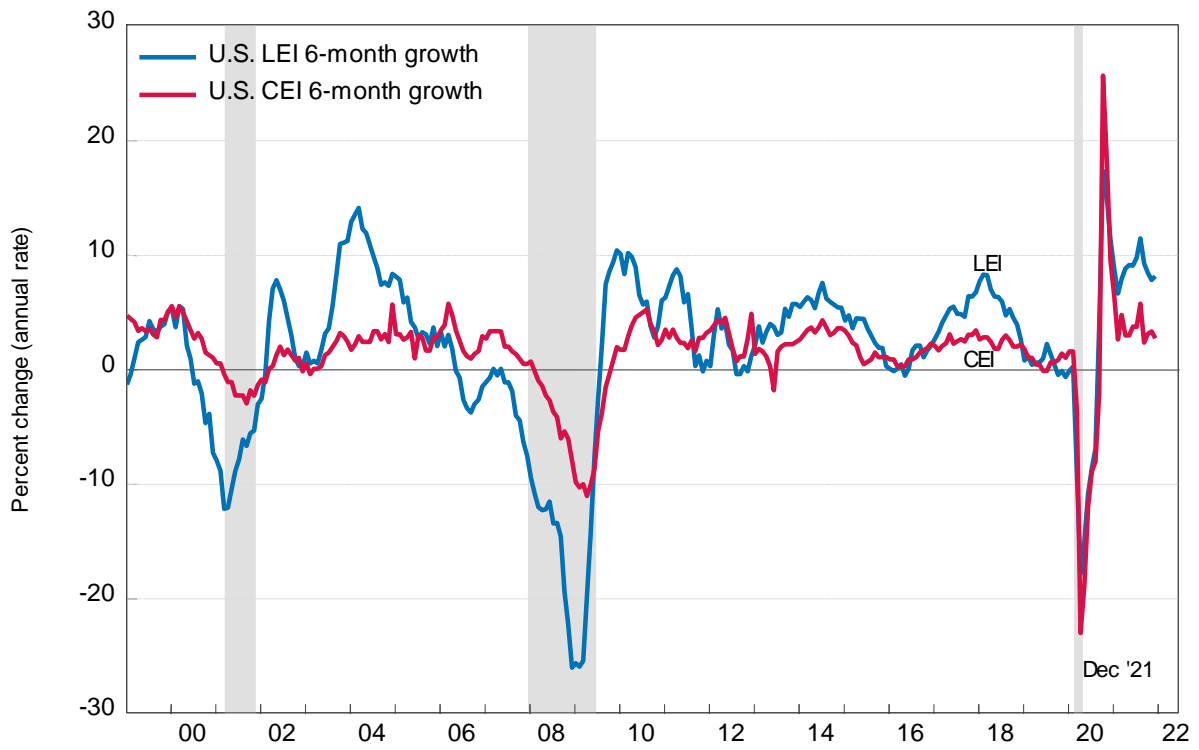
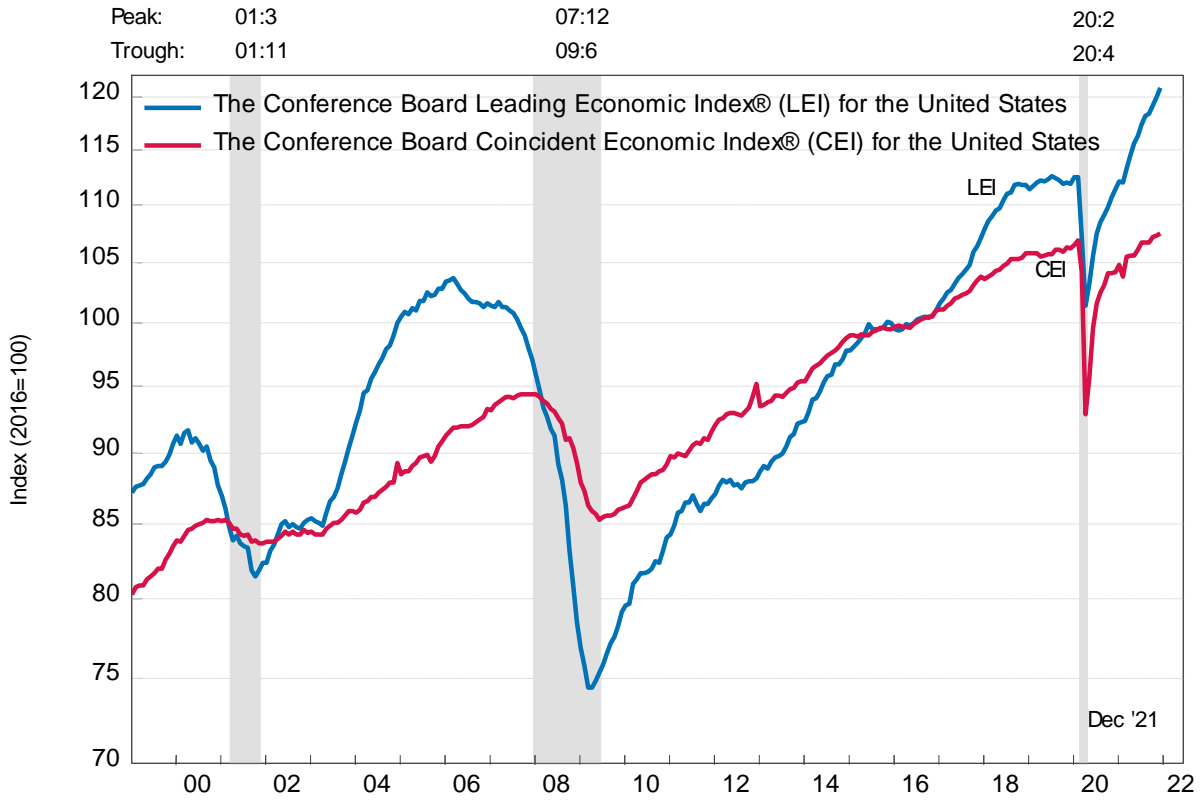
The Conference Board Coincident Economic Index® (CEI) for the U.S. increased by 0.2 percent in December to 107.4 (2016 = 100), following a 0.1 percent increase in November and a 0.5 percent increase in October.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased by **0.2^C** percent in December to 109.4 (2016 = 100), following a 0.1 percent increase in November and a **0.3^C** percent increase in October.

C - Corrected

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

The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in December



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

	2021			6-month Jun to Dec		
	Oct	Nov	Dec			
Leading Index	119.1	r	119.9	120.8	p	
Percent Change	0.7	r	0.7	0.8	p	4.0
Diffusion	80		70	85		75
Coincident Index	107.1	r	107.2	107.4	p	
Percent Change	0.5		0.1	0.2	p	1.3
Diffusion	87.5		75	75		100
Lagging Index	109.1	c	109.2	109.4	p	
Percent Change	0.3	c	0.1	0.2	c	1.6
Diffusion	57.1	c	42.9	50		64.3

p Preliminary r Revised c Corrected

Indexes equal 100 in 2016

Source: The Conference Board

About The Conference Board Leading Economic Index® (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®** for the U.S. include:

Average weekly hours, manufacturing

Average weekly initial claims for unemployment insurance

Manufacturers' new orders, consumer goods and materials

ISM® 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™

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

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.

www.conference-board.org