

Leading Economic Indicators:

The index of leading economic indicators aka the LEI index is an index that is made up of ten economic indicators and updated around every 20th of the month by the Conference Board.

This index reflects the change in those economic indicators that lead the economy.

The data from the ten indicators is expressed in index form so that it can be easier to interpret.

Composition of LEI index:

1. Unemployment claims
2. Stock Prices
3. Orders for consumer goods
4. Plant and equipment orders
5. Length of workweek
6. Speed of deliveries
7. Money Supply
8. Building Permits
9. Yield Spread
10. Consumer expectations

These reports come out separately before the LEI numbers are published, which allows market observers like yourself to make assessments as to how the economy is behaving.

Rule of thumb:

Market observers interpret three consecutive declines in the index as an early warning sign of recession. Conversely, three consecutive increases in the middle of a recession can be an early sign of a recovery.

Info available @ <https://www.conference-board.org/data/>
