



Economics Group

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Leading Economic Index Continues its Ascent in August

The Leading Economic Index (LEI) continued its climb in August, gaining 0.4 percent over the month. The latest gain marks the 12th consecutive month in which the index increased, signaling modest growth ahead.

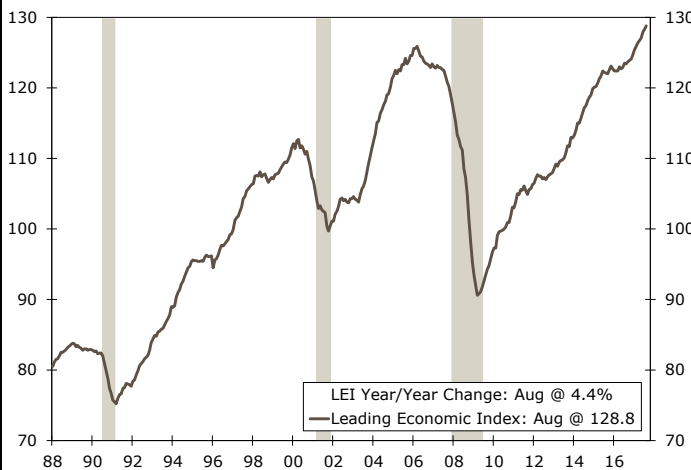
Full Year of LEI Gains

- The LEI increased 0.4 percent in August, following a 0.3 percent increase in July and a 0.6 percent increase in June. The coincident index was unchanged in August while the lagging index increased 0.3 percent.
- Seven components contributed positively to the index while initial claims was the only component to negatively impact the headline reading. The effects of the recent hurricanes are slowly creeping into the data.

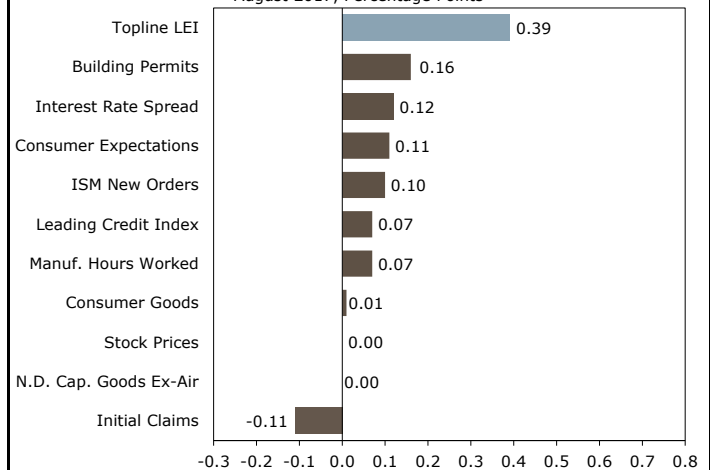
Hurricane Effects Not Fully Reflected

- Building permits was the strongest component in August, adding 0.16 percentage points to the index. Hurricanes Harvey and Irma will likely slow housing starts in coming months, as resources are redirected toward repairs and rebuilding efforts.
- The interest rate spread added 0.12 percentage points while consumer expectations contributed 0.11 percentage points. The broad-based strength in the underlying components suggests that the current pace of economic growth should continue.

Leading Economic Index

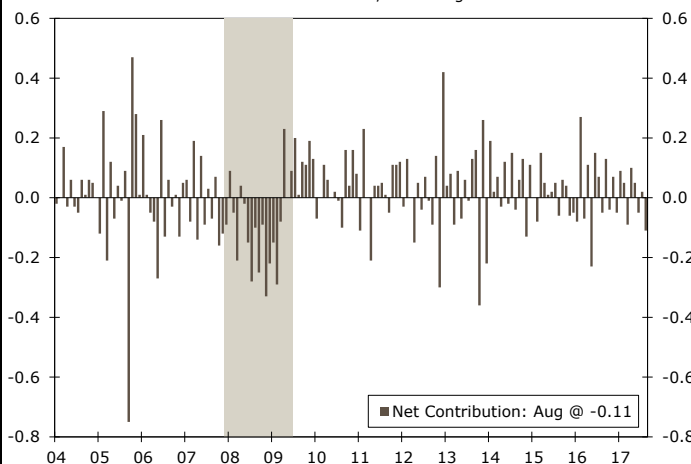


Net Contribution to Leading Economic Index
August 2017, Percentage Points



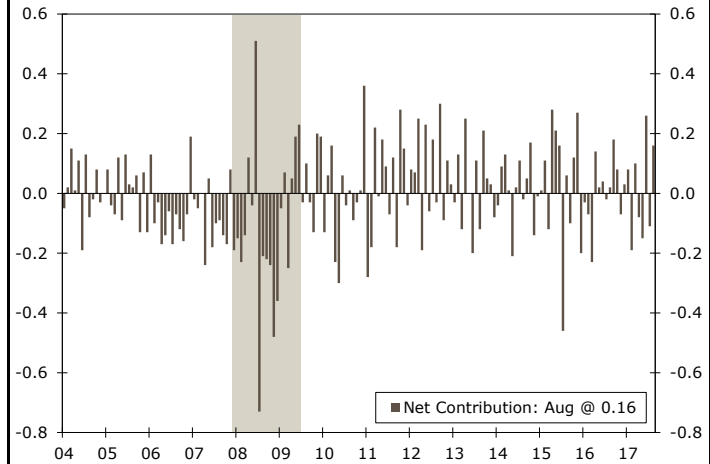
Unemployment Claims

Net Contribution to Index, Percentage Points



Building Permits

Net Contribution to Index, Percentage Points



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