



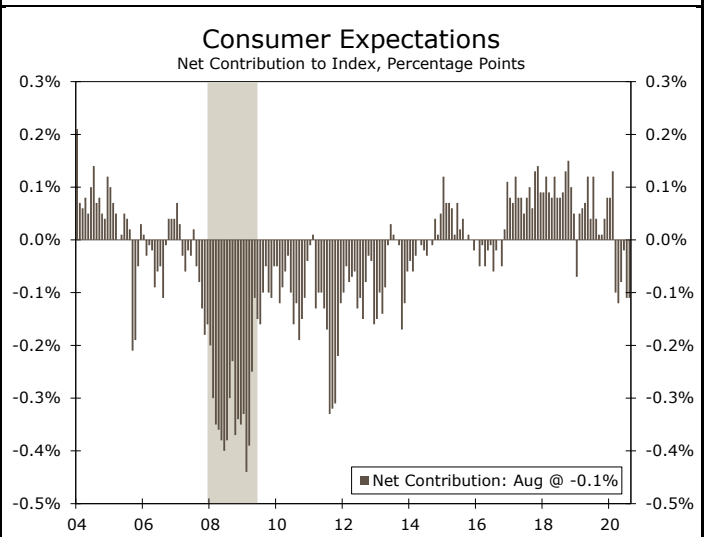
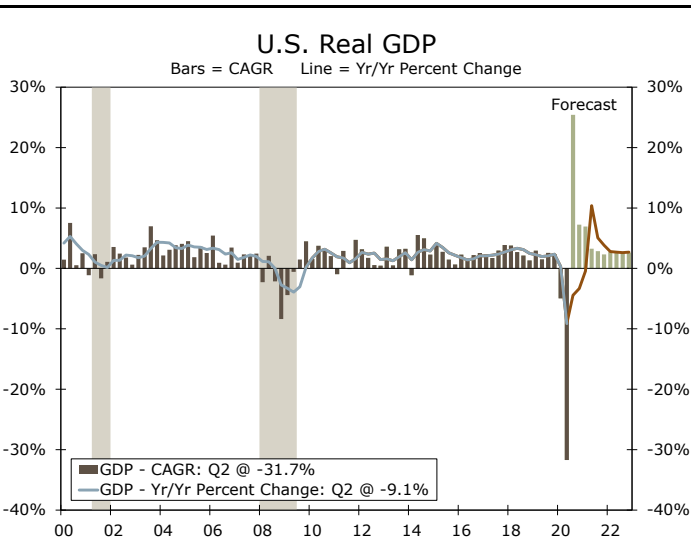
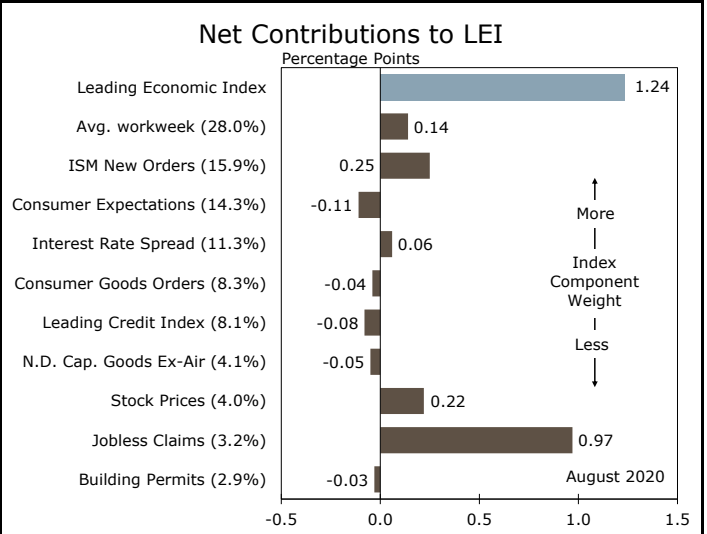
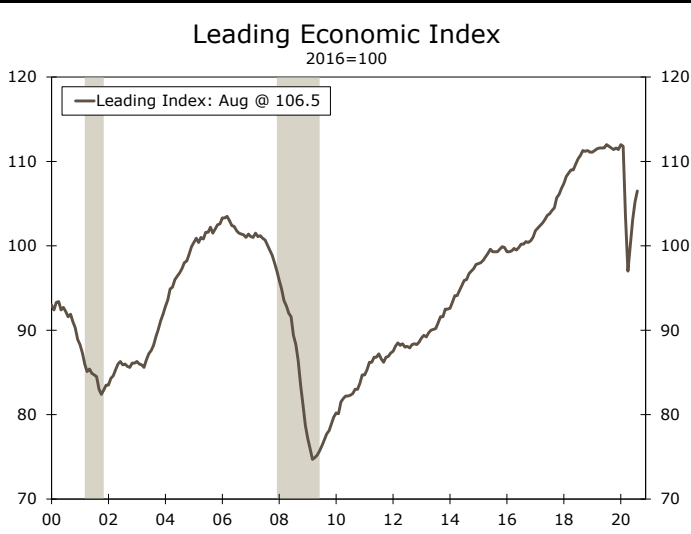
Economics Group

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LEI Signals Rebound, but at a Slower Pace

For the fourth consecutive month, the Leading Economic Index signaled economic growth. But, August's 1.2% increase marked the third month in a row that the pace of increase slowed.

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| <p>Moderate Growth in August</p> <ul style="list-style-type: none"> The Leading Economic Index posted a solid 1.2% increase in August but slowed from the 2.7% pace averaged over the past three months, in line with our projections for moderating growth after Q3. The index has recovered more than halfway to its pre-pandemic level after sharp declines in March and April. Most recent monthly increases, however, hint that growth has begun to decelerate. | <p>Labor Market Improvement Provides the Most Lift</p> <ul style="list-style-type: none"> While jobless claims are still high, the relative improvement during August meant jobless claims provided the biggest overall lift in the month of the various subcomponents, followed by more modest contributions from ISM New Orders and stock prices. Wiling consumer confidence weighed on the LEI in August but that may be short lived. Recent figures from the University of Michigan showed consumer sentiment rose in September. |
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Source: The Conference Board, U.S. Department of Commerce and Wells Fargo Securities

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