



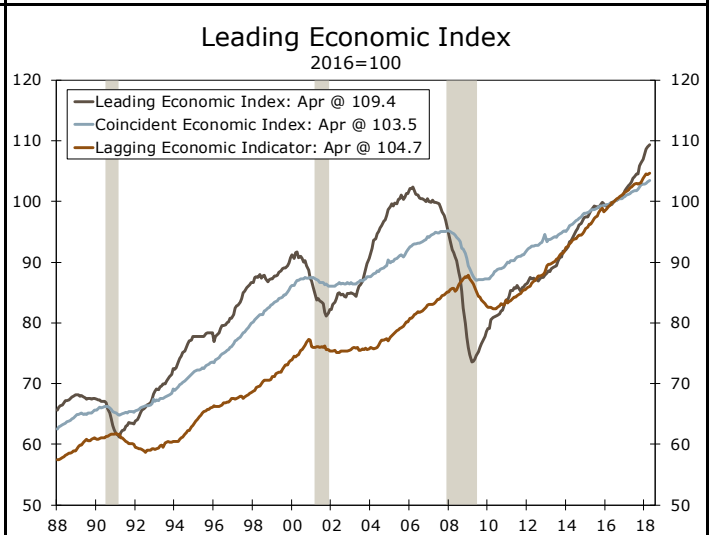
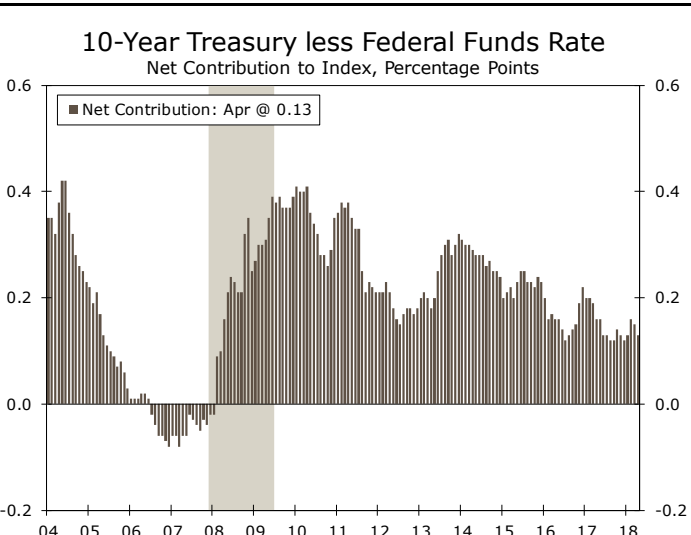
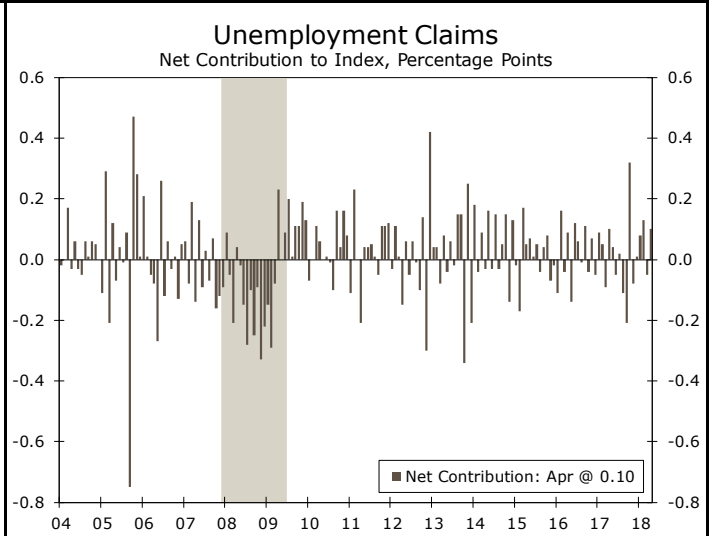
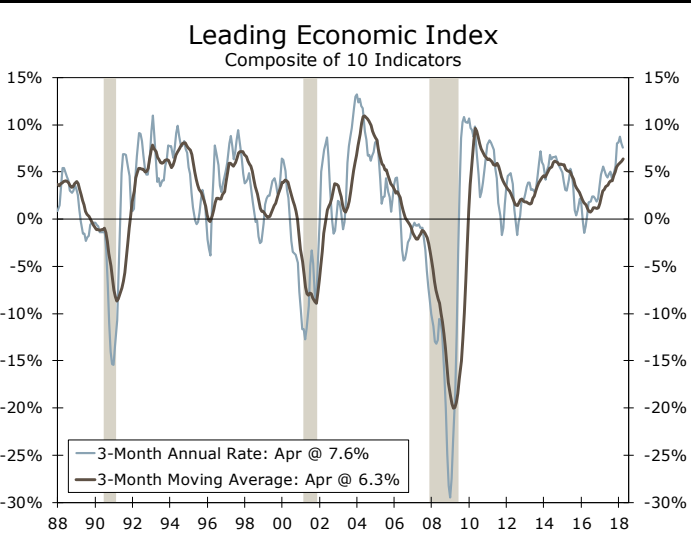
# Economics Group

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## LEI Strength Suggests Continued Growth in U.S.

*The Leading Economic Index increased 0.4 percent in April, supported by broad-based component strength. Although the index's six-month growth rate has moderated, economic growth should continue its uptrend.*

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| <p><b>Keep on Lifting</b></p> <ul style="list-style-type: none"> <li>• The LEI grew 0.4 percent in April, suggesting solid growth is likely to persist in the second half of 2018. Growth in the Coincident and Lagging indices increased 0.3 percent in April.</li> <li>• Stock prices and housing permits were the only negative contributors in April. The interest rate spread continues to be the top contributor to the index, however its strength has waned more recently as the yield curve has flattened.</li> </ul> | <p><b>Higher and Higher</b></p> <ul style="list-style-type: none"> <li>• The components related to the labor market, initial jobless claims and manufacturing hours worked, reversed last month's slide, adding 0.10 and 0.13 percentage points, respectively.</li> <li>• The soft and hard data continue to support one another, a signal of stable and balanced growth. The April print adds further evidence that economic growth will continue through 2018, and suggests the Fed will continue to administer rate hikes.</li> </ul> |
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Source: The Conference Board and Wells Fargo Securities

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