



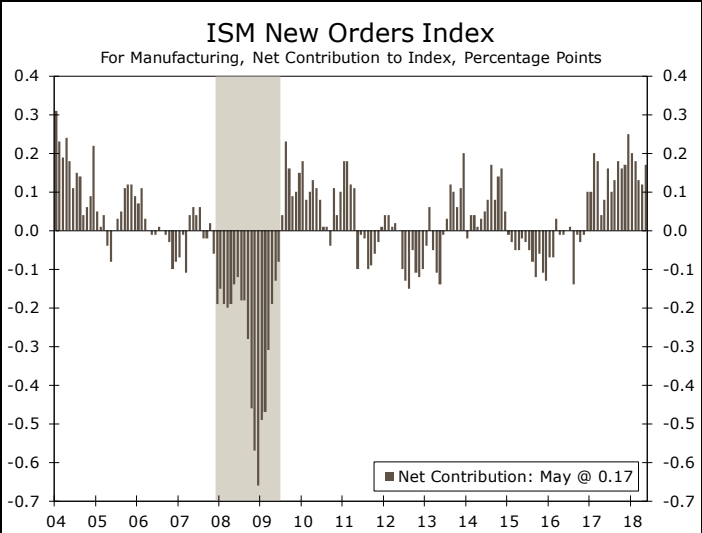
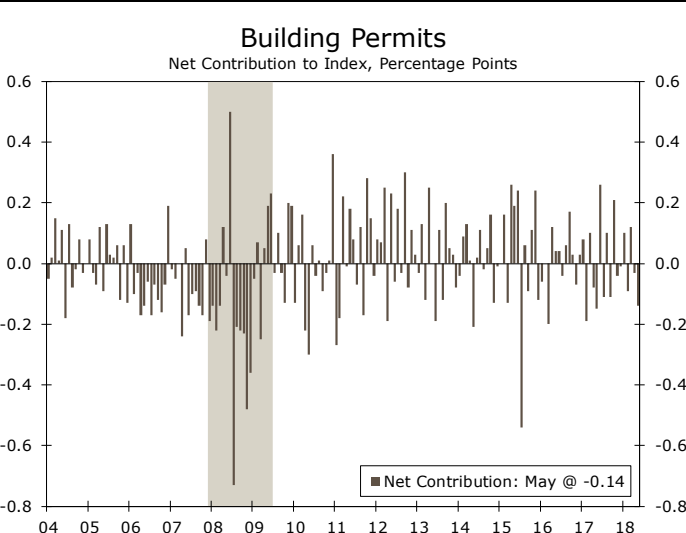
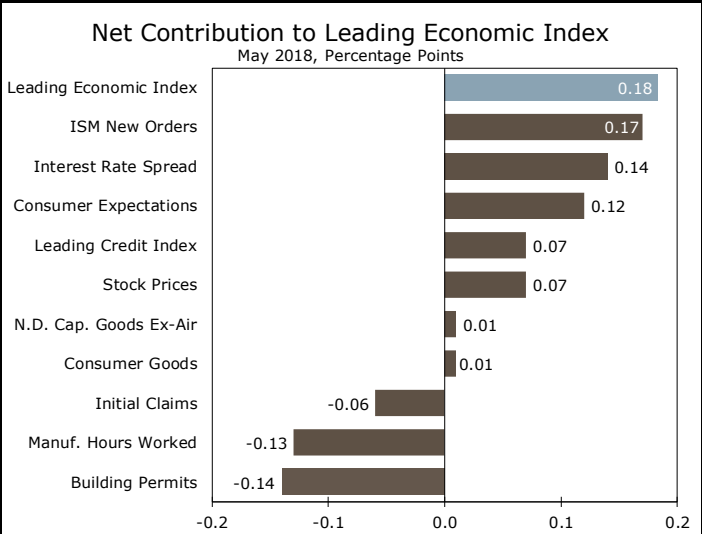
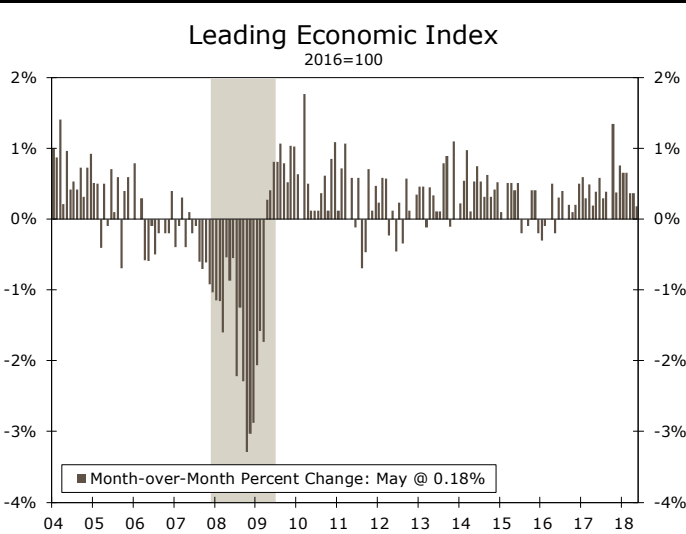
# Economics Group

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## LEI Continues its Ascent

*The Leading Economic Index increased 0.2 percent in May following a 0.4 percent jump in April. While most of the components strengthened, the recent moderation in the index suggests restrained economic growth ahead.*

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| <p><b>Growth Expected to Continue...</b></p> <ul style="list-style-type: none"> <li>• The LEI grew 0.2 percent in May, indicating economic growth is likely to continue through the end of 2018. However, the recent slowing we have seen in the index's growth suggests that economic activity is not likely to accelerate.</li> <li>• Detractors from the index were related to the labor market and construction. Unemployment claims and building permits cut the index by 0.06 and 0.14 percentage points, respectively.</li> </ul> | <p><b>...But Likely to Moderate</b></p> <ul style="list-style-type: none"> <li>• The remaining seven components were additive to the headline index, led by ISM new orders, suggesting broad-based strength across multiple sectors of the economy.</li> <li>• Despite the seemingly unstoppable ascent of the index, the growth in the past three months is the softest since September 2017. The recent moderation in the index's growth suggests future economic growth will follow suit.</li> </ul> |
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Source: The Conference Board and Wells Fargo Securities

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