The latest Conference Board Leading Economic Index (LEI) for August remained at 112.1, unchanged from the revised July figure of 112.1.

The Conference Board LEI for the U.S. was unchanged in August. Positive contributions from building permits, the Leading Credit Index™ (inverted), and manufacturing hours offset weakness in the manufacturing components and the yield spread. In the six-month period ending August 2019, the leading economic index increased 0.5 percent (about a 1.1 percent annual rate), about the same rate of growth as over the previous six months. In addition, the strengths among the leading indicators remain more widespread than the weaknesses.

The Conference Board CEI for the U.S., a measure of current economic activity, increased in August. The coincident economic index rose 0.7 percent (about a 1.3 percent annual rate) between February and August 2019, slower than the growth of 1.0 percent (about a 1.9 percent annual rate) over the previous six months. However, the strengths among the coincident indicators are very widespread, with all components advancing over the past six months. The lagging economic index declined last month. As a result, the coincident-to-lagging ratio increased. Meanwhile, real GDP expanded at a 2.0 percent annual rate in the second quarter, after increasing 3.1 percent (annual rate) in the first quarter. [Full notes in PDF]

Here is a log-scale chart of the LEI series with documented recessions as identified by the NBER. The use of a log scale gives us a better sense of the relative sizes of peaks and troughs than a more conventional linear scale.
For additional perspective on this indicator, see the latest press release, which includes this overview:

“The US LEI remained unchanged in August, following a large increase in July. Housing permits and the Leading Credit Index offset the weakness in the index from the manufacturing sector and the interest rate spread,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “The recent trends in the LEI are consistent with a slow but still expanding economy, which has been primarily driven by strong consumer spending and robust job growth.”

For a better understanding of the relationship between the LEI and recessions, the next chart shows the percentage-off the previous peak for the index and the number of months between the previous peak and official recessions.
LEI and Its Six-Month Smoothed Rate of Change

Based on suggestions from Neile Wolfe of Wells Fargo Advisors and Dwaine Van Vuuren of RecessionAlert, we can tighten the recession lead times for this indicator by plotting a smoothed six-month rate of change to further enhance our use of the Conference Board’s LEI as a gauge of recession risk.
As we can see, the LEI has historically dropped below its six-month moving average anywhere between 2 to 15 months before a recession. The latest reading of this smoothed rate-of-change suggests no near-term recession risk. Here is a twelve-month smoothed out version, which further eliminates the whipsaws:
The Conference Board also includes its Coincident Economic Index (CEI) in each release. It measures current economic activity and is made up of four components: nonagricultural payroll, personal income less transfer payments, manufacturing and trade sales, and industrial production. Based on observations, when the LEI begins to decline, the CEI is still rising. Here’s a chart including both the CEI and LEI.
Here is a chart of the LEI/CEI ratio, which is also a leading indicator of recessions.