



Economics Group

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Leading Indicators Point to Continued Growth

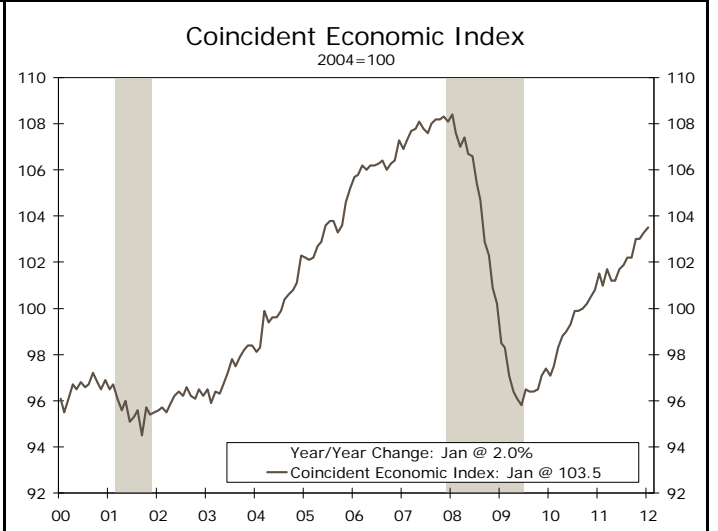
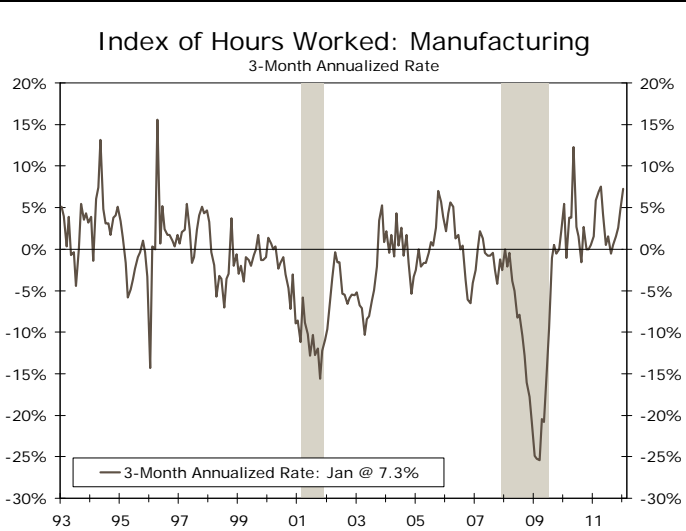
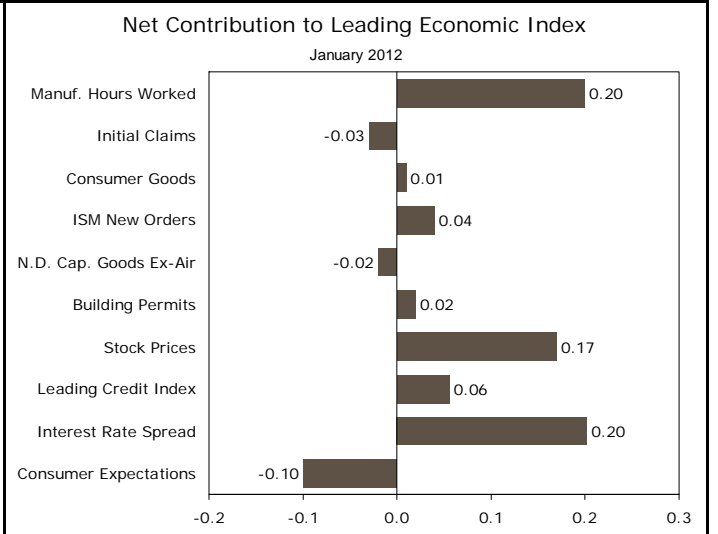
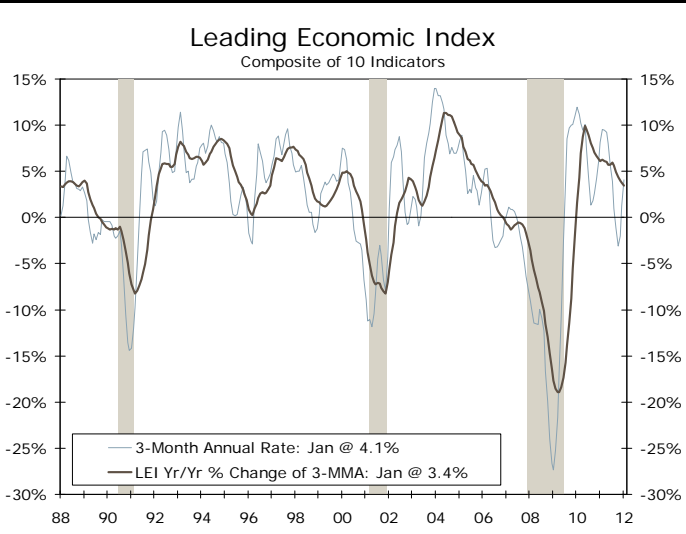
The Leading Economic Indicators index rose 0.4 percent, supported by an increase in the average workweek and improving financial indicators. This is now the fourth-consecutive month of improvement in the index.

Average Workweek Rebounds

- Among the employment indicators in the index, the average workweek component posted a strong 0.2 percent contribution to the overall index, while initial jobless claims subtracted 0.03 percent.
- With the strong start to equity markets in January, the stock prices component added modestly to the index. The interest rate spread also provided a nice boost to the headline number.

Outlook for the Economy Remains the Same

- The coincident economic index increased 0.2 percent, suggesting that current conditions continue to improve, but at a slower rate than the 0.3 percent increase in December.
- The modest gains in the LEI over the past few months suggest that economic growth will continue at a moderate pace, which supports our view for ongoing sub-par economic growth over the first half of the year.



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