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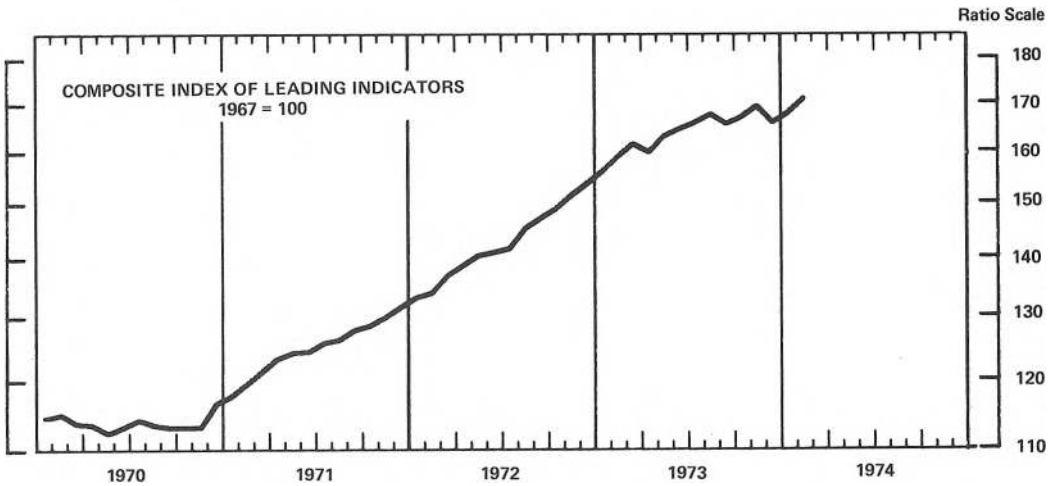
COMPOSITE INDEX OF LEADING INDICATORS: February 1974

The composite index of leading indicators increased 1.8 percent in February, and now stands at 170.6 (1967=100), according to preliminary data released today by the Bureau of Economic Analysis, an agency of the Commerce Department's Social and Economic Statistics Administration. On the basis of more complete data, the January index has been revised to 167.6, 1.2 percent above the December figure.

Six of the eight indicators now available for February (new orders for durables, average workweek, contracts and orders for plant and equipment, building permits, price-labor cost ratio and industrial materials prices) showed increases from January while two of the eight (initial claims for unemployment insurance, and stock prices) showed decreases. The series contributing most to the increase in the index was industrial materials prices. Of the series which declined, stock prices had the largest negative influence on the index.

More data on the composite index of leading indicators as well as other important measures of economic activity appear in BUSINESS CONDITIONS DIGEST, a monthly publication of the Bureau of Economic Analysis. It is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Annual subscription $45.80.



Composite Index of Leading Indicators (1967=100)

Monthly

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1970	114.9	115.4	113.9	113.8	112.6	113.5	114.5	113.7	113.3	113.3	113.4	116.9
1971	117.9	119.8	121.8	123.7	124.6	124.7	126.1	126.6	128.1	128.8	130.1	131.8
1972	133.4	134.2	137.0	138.7	140.5	141.0	141.7	145.2	147.1	148.8	151.3	153.5
1973	155.9	158.8	r161.3	r159.7	r162.9	r164.4	r165.7	r167.5	r165.3	r166.8	r169.1	r165.6
1974	r167.6	p170.6										

Percent change

Year	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1970	-1.1	0.4	-1.3	-0.1	-1.1	0.8	0.9	-0.7	-0.4	0.0	0.1	3.1
1971	0.9	1.6	1.7	1.6	0.7	0.1	1.1	0.4	1.2	0.5	1.0	1.3
1972	1.2	0.6	2.1	1.2	1.3	0.4	0.5	2.5	1.3	1.2	1.7	1.5
1973	1.6	1.9	1.6	r-1.0	r2.0	0.9	0.8	r1.1	r-1.3	r0.9	1.4	r-2.1
1974	r1.2	1.8										

Quarterly

Year	I	II	III	IV
1970	114.7	113.3	113.8	114.5
1971	119.8	124.3	126.9	130.2
1972	134.9	140.1	144.7	151.2
1973	158.7	r162.3	r166.2	r167.2

Percent change

Year	I	II	III	IV
1970	-1.6	-1.2	0.4	0.6
1971	4.6	3.8	2.1	2.6
1972	3.6	3.9	3.3	4.5
1973	5.0	r2.3	r2.4	r0.6

Indicator	Nov.	Dec.	Jan.	Feb.	Jan. to Feb. Increase	Jan. to Feb. Decrease
Average workweek (hours)	40.6	40.7	r40.2	p40.5	X	
*Initial claims for unemployment insurance (thousands)	r248	r297	r315	p332		X
New orders for durables ($ billion)	44.32	41.55	r42.45	p43.44	X	
Contracts and orders for plant and equipment ($ billion)	r14.32	r13.52	r13.28	p14.13	X	
Price-labor cost ratio (1967=100)	109.0	r111.3	r114.3	p114.4	X	
Stock prices (1941-43=10)	102.03	94.78	96.11	93.45		X
Industrial materials prices (1967=100)	192.4	208.9	215.9	232.0	X	
Building permits (1967=100)	113.2	106.6	r112.1	p112.4	X	
Net business formation (1967=100)	r117.6	r113.8	p112.9	n.a.		
Change in book value, manufacturing and trade inventories (ann. rate, $ billion)	r+40.2	r+44.6	p+28.6	n.a.		
Change in consumer installment debt (ann. rate, $ billion)	+20.71	+4.92	+11.00	n.a.		
Corporate profits after taxes (ann. rate, $ billion, quarterly)	p72.0	...	...	n.a.		

(*) Series inverted in calculating the composite index of leading indicators: a decrease in claims for unemployment insurance is considered as an increase in the series.

p - preliminary

r - revised

n.a. - not available