

UNITED STATES DEPARTMENT OF
COMMERCE
NEWS
WASHINGTON, D.C. 20230

Social and Economic
Statistics Administration

BUREAU OF
ECONOMIC ANALYSIS

FOR WIRE TRANSMISSION 10:00 A.M. THURSDAY, JUNE 26, 1975

Morton Somer: (301) 763-7229

BEA 75-47

COMPOSITE INDEX OF LEADING INDICATORS: MAY 1975

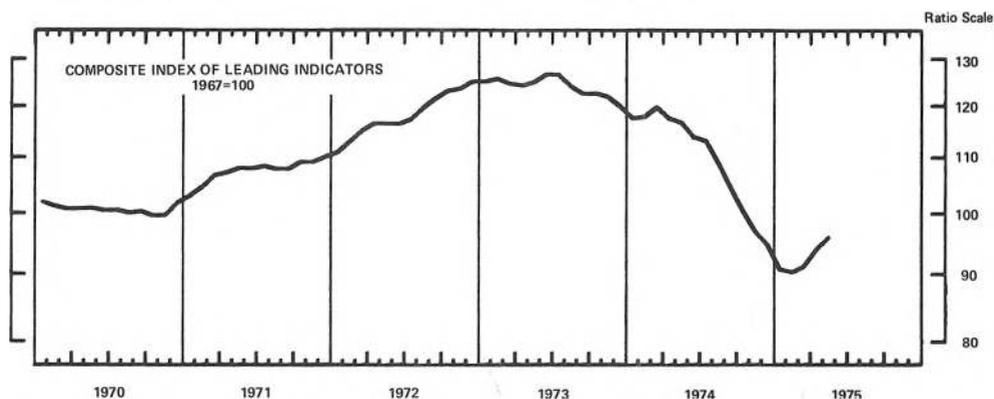
The composite index of leading indicators increased 2.1 percent in May, and now stands at 95.9 (1967=100), according to preliminary data released today by the Bureau of Economic Analysis, an agency of the Commerce Department's Social and Economic Statistics Administration. On the basis of more complete data, the April index has been revised to 93.9, 3.0 percent above the March figure.

Eight of ten indicators now available for May (vendor performance, change in total liquid assets, change in sensitive prices, contracts and orders for plant and equipment in 1967 dollars, stock prices, money balance in 1967 dollars, new orders in 1967 dollars, building permits) showed increases from April. Layoff rate and average workweek were unchanged.

The series contributing most to the increase in the index was change in sensitive prices.

The composite index of leading indicators was revised in May. Detailed description and information about the revised composite index of leading indicators appeared in the May issue of BUSINESS CONDITIONS DIGEST. Reprints of the article explaining the revision, plus back data, are available upon request. (The old composite index of leading indicators (series 810) increased 1.3 percent in May, and now stands at 157.8, according to preliminary data released today. On the basis of more complete data, the April index has been revised to 155.7, 3.0 percent above the March figure. The old index will continue to be published in BCD through 1975).

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 \$55.25.



Composite Index of Leading Indicators (1967=100)

Year	Monthly											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1970	101.9	101.1	100.6	100.7	100.8	100.4	100.5	100.0	100.2	99.5	99.6	101.8
1971	103.0	104.5	106.6	107.1	107.9	107.8	108.3	107.7	107.7	109.1	109.1	110.1
1972	110.9	112.8	115.0	116.4	116.3	116.3	117.3	119.6	121.4	123.0	123.5	125.0
1973	125.0	125.7	124.5	124.1	124.9	126.6	126.5	123.9	122.3	122.4	121.7	119.8
1974	117.5	117.7	119.6	117.4	116.5	r113.7	112.9	108.8	104.3	r100.3	96.8	r94.6
1975	r90.6	r90.2	r91.2	r93.9	p95.9							

Year	Percent Change											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1970	-2.1	-0.8	-0.5	0.1	0.1	-0.4	0.1	-0.5	0.2	-0.7	0.1	2.2
1971	1.2	1.5	2.0	0.5	0.7	-0.1	0.5	-0.6	0.0	1.3	0.0	0.9
1972	0.7	1.7	2.0	1.2	-0.1	0.0	0.9	2.0	1.5	1.3	0.4	1.2
1973	0.0	0.6	-1.0	-0.3	0.6	1.4	-0.1	-2.1	-1.3	0.1	-0.6	-1.6
1974	-1.9	0.2	1.6	-1.8	-0.8	r-2.4	r-0.7	-3.6	-4.1	r-3.8	r-3.5	r-2.3
1975	r-4.2	r-0.4	r1.1	r3.0	p2.1							

Year	Quarterly			
	I	II	III	IV
1970	101.2	100.6	100.2	100.3
1971	104.7	107.6	107.9	109.4
1972	112.9	116.3	119.4	123.8
1973	125.1	125.2	124.2	121.3
1974	118.3	115.9	108.7	r97.2
1975	r90.7			

Year	Percent Change			
	I	II	III	IV
1970	-4.5	-0.6	-0.4	0.1
1971	4.4	2.8	0.3	1.4
1972	3.2	3.0	2.7	3.7
1973	1.0	0.1	-0.8	-2.3
1974	-2.5	-2.0	-6.2	r-10.6
1975	r-6.7			

Indicator							Apr. to May Direction of Change
	Dec.	Jan.	Feb.	Mar.	Apr.	May	
Average workweek of production workers, manufacturing (hours).....	39.4	39.2	38.8	38.8	39.0	p39.0	0
*Layoff rate, manufacturing (percent).....	2.6	3.5	3.4	2.8	2.5	p2.5	0
Vendor performance, companies reporting slower deliveries (percent).....	22	18	16	17	22	24	+
#Change in total liquid assets (percent).....	r+0.46	r+0.47	r+0.52	r+0.62	r+0.70	p+0.77	+
#Change in sensitive prices (WPI of crude materials, excl. food and feeds) (percent).	-0.53	-1.39	-1.70	-1.28	-0.41	+0.45	+
Contracts and orders for plant and equipment, 1967 dollars (\$ billions).....	8.44	7.14	7.07	7.02	r7.85	p7.86	+
Index of net business formation (1967=100).....	106.3	102.9	101.7	103.0	r103.1	n.a.	
Index of stock prices, 500 common stocks (1941-43=10).....	67.07	72.56	80.10	83.78	84.72	90.10	+
Money balance (M1), 1967 dollars (\$ billions)..	182.9	180.3	180.2	181.3	180.9	p182.0	+
New orders, mfg., consumer products and materials, 1967 dollars (\$ millions)...	21392	20576	20913	20494	r22361	p22600	+
Building permits (1967=100).....	r72.1	r59.4	r60.4	r58.3	r72.1	p78.3	+
#Change in inventories on hand and on order, 1967 dollars (ann. rate, \$ billions).....	-12.61	-18.09	-23.12	r-27.73	p-35.89	n.a.	

(*) Series inverted in calculating the composite index of leading indicators: a decrease in the layoff rate is considered an increase in the series.

(#) Smoothed by a weighted 4-month moving average placed at terminal month.

r - revised

p - preliminary

e - estimated

n.a. - not available