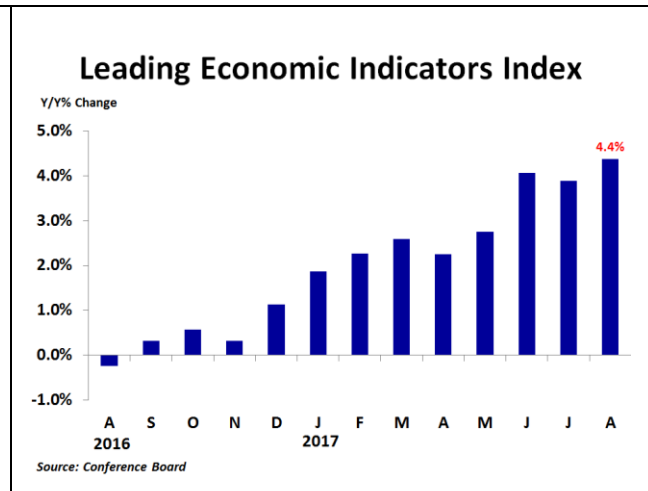
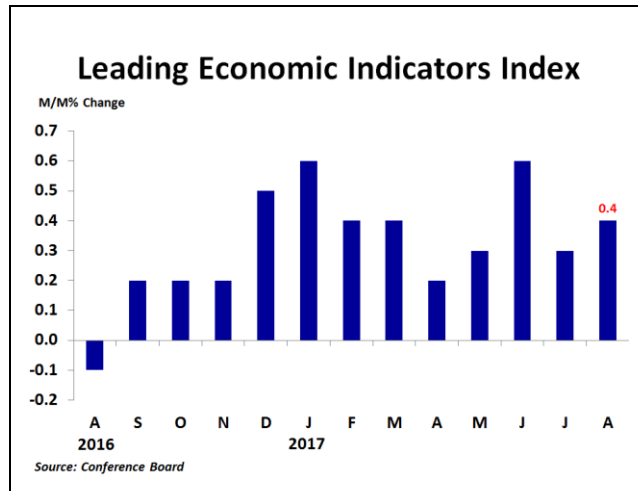




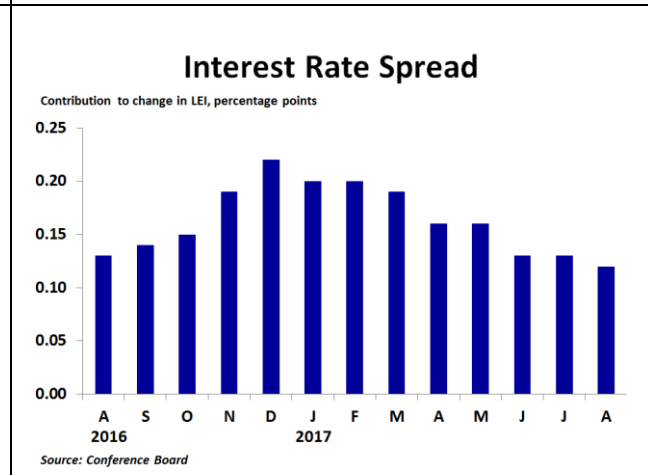
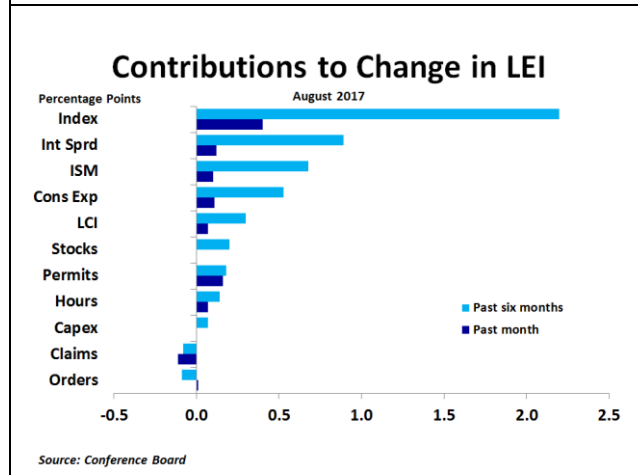
## August Leading Economic Indicators

Building permits lead the way while jobless claims are the only drag



The leading economic indicators index rose 0.4% in August following a 0.3% rise in July. A jump in jobless claims following Hurricane Harvey was the only negative contribution in August.

The LEI was up 4.4% from a year ago, the most in at least two years. The recent acceleration in this measure showed up in second quarter GDP, but risks to growth are mounting.



The biggest contribution to the LEI came from building permits as they rebounded strongly in August following a decline in July. Jobless claims were a drag on the index due to Hurricane Harvey.

The contribution from the interest rate spread has dwindled over the last several months as low inflation and political and geopolitical tensions have pushed investors to the safety of Treasuries.