The NCSU INDEX OF NORTH CAROLINA LEADING ECONOMIC INDICATORS (the “Index”), a forecast of the economy’s direction four to six months ahead, rose 0.2% in September. Each of the Index’s components improved from August except one—building permits. The national index increased 1.8%, initial jobless claims dropped almost 6%, and both manufacturing hours and earnings moved up by under 1%. The Index and its components were also improved, or the same, compared to a year earlier. Although September’s gain in the Index was modest, it does suggest continued modest momentum in the North Carolina economy with no imminent signs of a new recession.

### Chg. from prev. month | Chg. from prev. year
--- | ---
INDEX | +0.2% | +2.4%
ECRI-WLI | +1.8% | +3.1%
Claims | -5.8% | -11.8%
Permits | -24.8% | +34.6%
Hours | +0.2% | +0.5%
Earnings | +0.9% | 0.0%

**About the Index:** The Index is composed of five components: the Economic Cycle Research Institute (ECRI)’s Weekly Leading Index (http://www.businesscycle.com/resources/), North Carolina initial claims for unemployment benefits, North Carolina building permits, average weekly hours of work of all North Carolina employees in manufacturing, and average weekly earnings of all North Carolina employees in manufacturing. All data are seasonally-adjusted and modified for differences in prices levels where appropriate. Data are from the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, and ECRI, whose permission to use their Weekly Leading Index is greatly appreciated. All calculations are done by Dr. Michael Walden.

Comments should be directed to Dr. Michael Walden at michael_walden@ncsu.edu.