

## News Release

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For Immediate Release: 10:00 AM ET, February 6, 2023

### **The Conference Board Employment Trends Index™ (ETI) Increased in January**

#### ***Job Growth Expected to Continue in the Coming Months***

**NEW YORK, February 6, 2023**...The Conference Board Employment Trends Index™ (ETI) rose in January to 118.74, up from an upwardly revised 117.06 in December 2022. The Employment Trends Index is a leading composite index for employment. When the index increases, employment is likely to grow as well, and vice versa. Turning points in the index indicate that a turning point in the number of jobs is about to occur in the coming months.

“The ETI rose for the second consecutive month in January, a reversal of a short-lived declining trend in 2022,” said **Selcuk Eren, Senior Economist at The Conference Board**. “Despite rapid interest rate hikes—which were expected to reduce labor demand—we haven’t seen widespread layoffs. Indeed, hiring was outsized and broadly based in [the January employment report](#). Robust hiring continues to keep the ETI at a very high level and the economy is still experiencing significant job gains in industries where labor shortages have been most acute.”

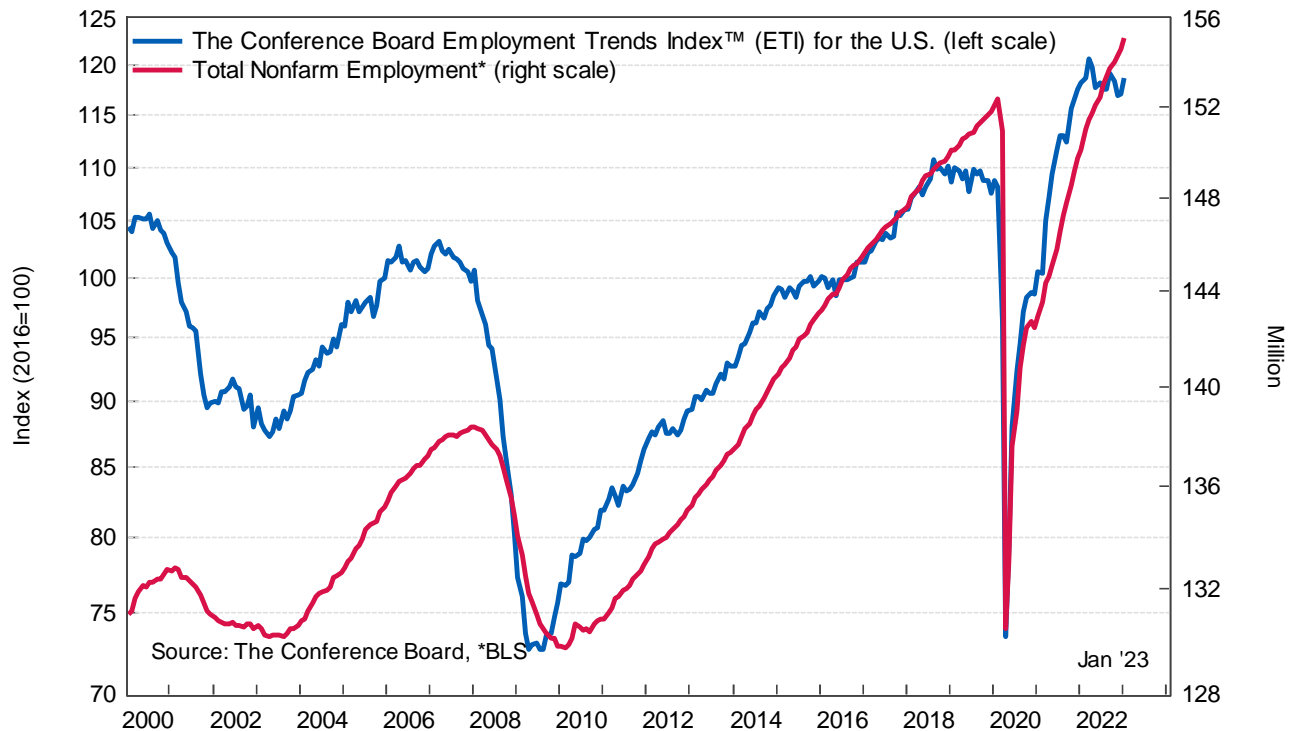
Eren added: “Labor shortages will continue to be the theme going forward. We have seen job gains in industries—including leisure and hospitality and government—where employment is still below prepandemic levels. Likewise, job openings and voluntary quits are below their historic highs but still above prepandemic levels. The number of employees working in temporary help services—a component of the ETI and an important leading indicator for hiring—increased in January after falling for two consecutive months. This is revised from an originally reported five-month decline. Thus far, job losses seem to be limited to the information sector, which include most tech companies. One sign of rebalancing in the labor market may be slower wage growth. Hourly wage growth—which stands at 4.4 percent year-over-year in January—remains above prepandemic levels, but is on a declining trend after reaching 5.9 percent last year. For the rest of 2023, we anticipate the Federal Reserve will continue increasing interest rates in order to reduce labor market tightness and bring wage growth and inflation under control.”

January’s increase in the Employment Trends Index was driven by positive contributions from seven of eight components: Initial Claims for Unemployment, Real Manufacturing and Trade Sales, Percentage of Firms With Positions Not Able to Fill Right Now, Percentage of Respondents Who Say They Find “Jobs Hard to Get”, Industrial Production, Number of Employees Hired by the Temporary-Help Industry, and Job Openings.

The Employment Trends Index aggregates eight leading indicators of employment, each of which has proven accurate in its own area. Aggregating individual indicators into a composite index filters out “noise” to show underlying trends more clearly.

**NOTE:** This month's release includes historical revisions to the ETI dating back to 2017. As a result, the index levels and month-on-month changes are not directly comparable to previous releases. However, the cyclical properties (e.g., turning points and trends) of the indexes are generally unchanged.

### **The Conference Board Employment Trends Index™, January 2000 to Present**



The eight leading indicators of employment aggregated into the Employment Trends Index include:

- Percentage of Respondents Who Say They Find “Jobs Hard to Get” (The Conference Board **Consumer Confidence Survey**®)
- Initial Claims for Unemployment Insurance (U.S. Department of Labor)
- Percentage of Firms With Positions Not Able to Fill Right Now (© National Federation of Independent Business Research Foundation)
- Number of Employees Hired by the Temporary-Help Industry (U.S. Bureau of Labor Statistics)
- Ratio of Involuntarily Part-time to All Part-time Workers (BLS)
- Job Openings (BLS)\*
- Industrial Production (Federal Reserve Board)\*
- Real Manufacturing and Trade Sales (U.S. Bureau of Economic Analysis)\*\*

\*Statistical imputation for the recent month

\*\*Statistical imputation for two most recent months

The Conference Board publishes the Employment Trends Index monthly, at 10 a.m. ET, on the Monday that follows each Friday release of the Bureau of Labor Statistics Employment Situation report. The technical notes to this series are available on The Conference Board website: <http://www.conference-board.org/data/eti.cfm>.

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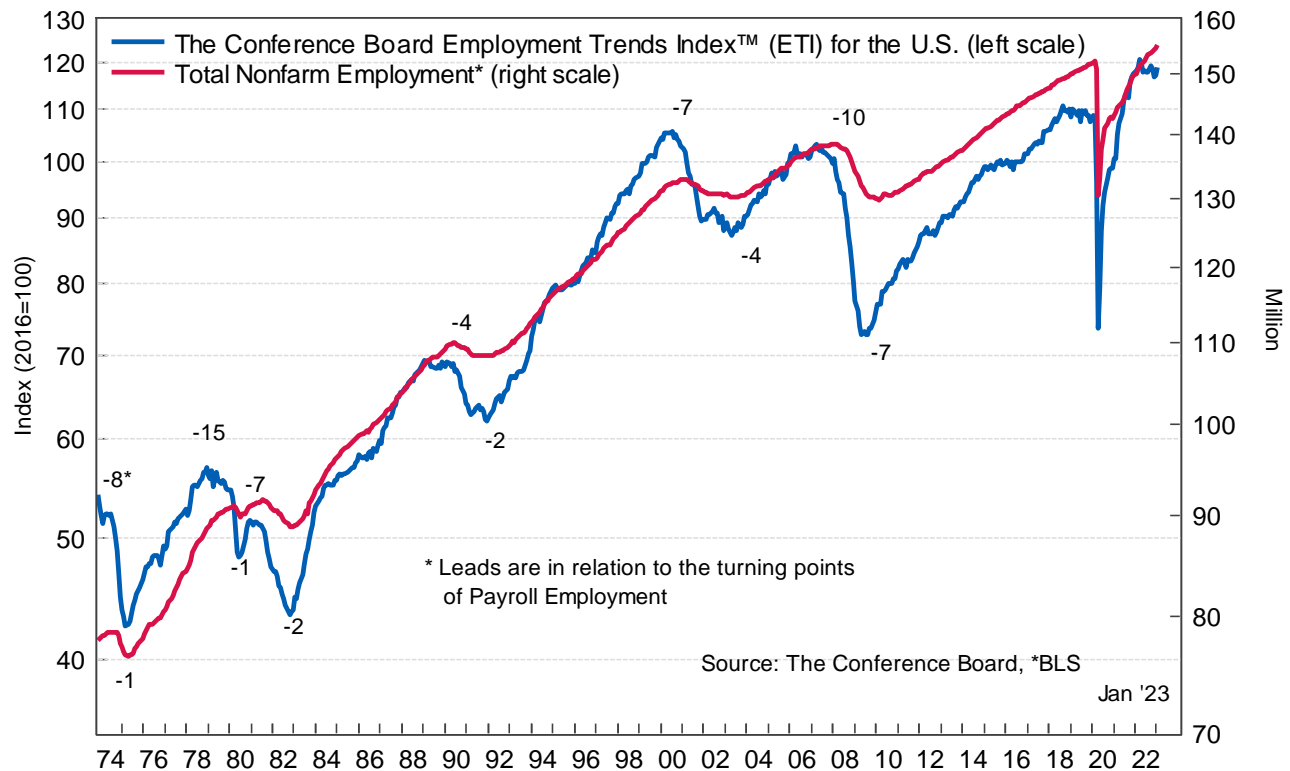
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## Employment Trends Index (ETI)<sup>TM</sup> 2023 Publication Schedule

Index Release Date (10 AM ET)	Data for the Month
Monday, January 9 2023	December 2022
Monday, February 6	January 2023
Monday, March 13	February
Monday, April 10	March
Monday, May 8	April
Monday, June 5	May
Monday, July 10	June
Monday, August 7	July
Tuesday, September 5*	August
Monday, October 9	September
Monday, November 6	October
Monday, December 11	November

\* Tuesday release due to holiday

## The Conference Board Employment Trends Index<sup>TM</sup> and turning points, November 1973 to Present



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