

News Release

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The Conference Board Employment Trends Index™ (ETI) Increased in December

Index ends year on a positive note

This month's release incorporates annual revisions of standardization factors to the Employment Trends Index, which bring it up to date with revisions in the source data. These revisions do not change the cyclical properties of the index. The standardization factors, known as volatility adjustment factors, are done by calculating the standard deviation of the monthly percent change in each component. The period used for calculating the standardization factors begins in November 1973 and ends at December 2017. The standardization factors are then used to construct the index from November 1973 to present. As a result, the revised index, in levels and month-on-month changes, will not be directly comparable to those issued prior to this annual revision. For more information, please visit our website at <http://www.conference-board.org/data/eti.cfm>

NEW YORK, January 7, 2019...The Conference Board Employment Trends Index™ (ETI) increased in December, following a minor decline in November. The index now stands at 111.61, up from 110.23 in November. The increase marks a 5.4 percent gain in the ETI over the past 12 months.

"The Employment Trends Index rose sharply in December, reversing the declines in recent months, suggesting that employment will continue to expand in the coming months," said Gad Levanon, Chief Economist, North America, at The Conference Board. "With gloom and doom views dominating the news in recent weeks, it is somewhat reassuring that leading indicators of employment are growing. While employment growth could slow down in 2019, it is still likely to expand fast enough to further tighten the labor market. All the main measures of wages are now rapidly accelerating, suggesting that more people from the sidelines will return to the labor force in 2019. The improving labor force participation rate in December led to an increase in the unemployment rate to 3.9 percent. The expansion in labor supply is allowing employers to more easily expand their workforce and meet demand for their goods and services."

December's increase was fueled by positive contributions from seven of the eight components. From the largest positive contributor to the smallest, these were: the Percentage of Firms With Positions Not Able to Fill Right Now, Percentage of Respondents Who Say They Find "Jobs Hard to Get", the Ratio of Involuntarily Part-time to All Part-time Workers, Initial Claims for Unemployment Insurance, Industrial Production, Number of Employees Hired by the Temporary-Help Industry, and Real Manufacturing and Trade Sales.

The Employment Trends Index aggregates eight labor-market indicators, 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.

The eight labor-market indicators 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

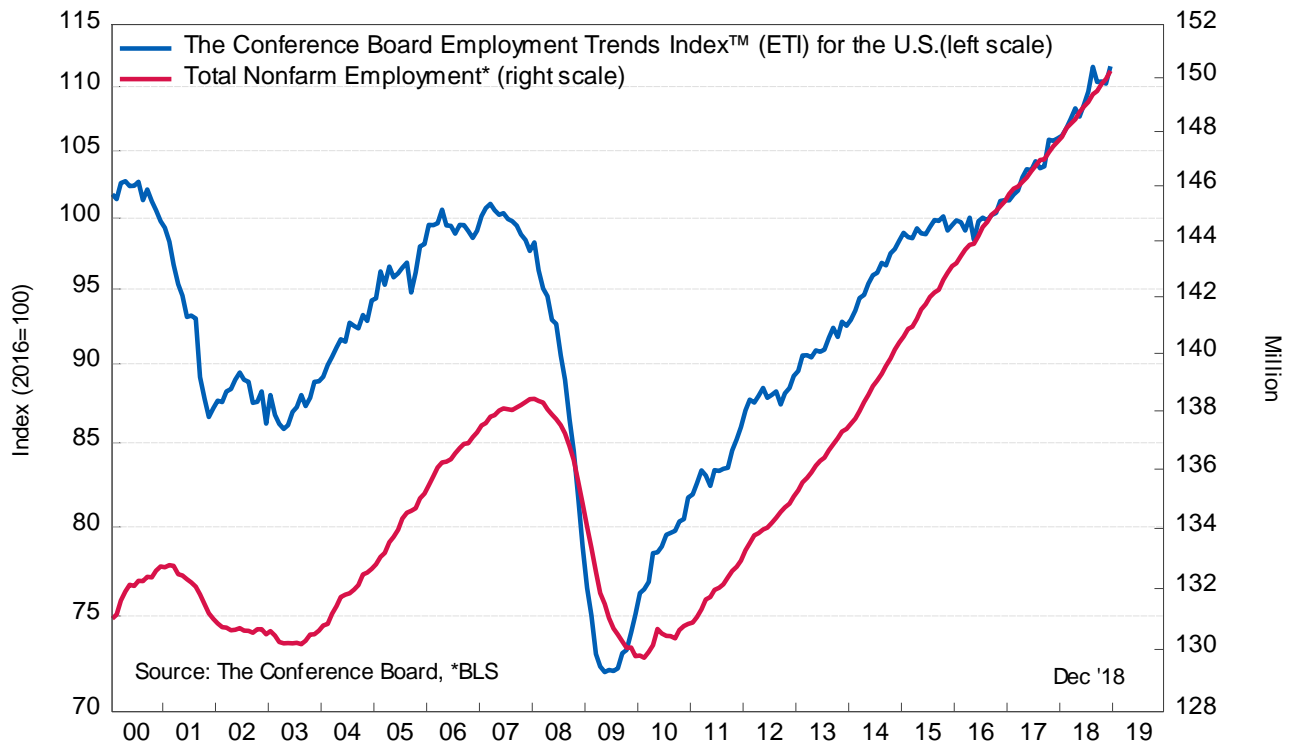
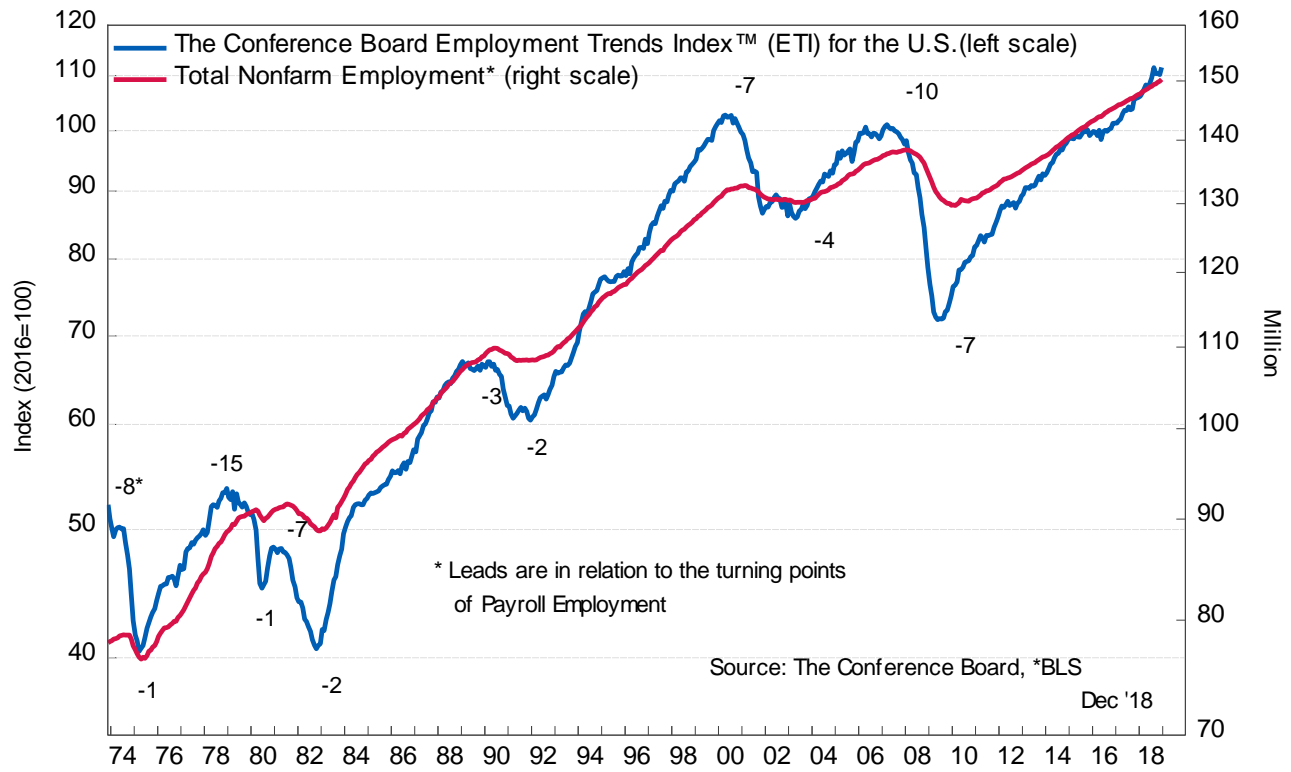
The Conference Board publishes the Employment Trends Index monthly, at 10 a.m. ET on the Monday that follows each Friday release of the Bureau of Labor Statistics Employment Situation report. The technical notes to this series are available on The Conference Board website: <http://www.conference-board.org/data/eti.cfm>.

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Employment Trends Index (ETI)[™] 2019 Publication Schedule

Index Release Date (10 AM ET)	Data for the Month
Monday, February 4	January
Monday, March 11	February
Monday, April 8	March
Monday, May 6	April
Monday, June 10	May
Monday, July 8	June
Monday, August 5	July
Monday, September 9	August
Monday, October 7	September
Monday, November 4	October
Monday, December 9	November



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