

News Release

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

Moderate Employment Growth Still Expected in Early 2020

NEW YORK, January 13, 2020...The Conference Board Employment Trends Index™ (ETI) declined in December, following an increase in November. The index now stands at 109.68, down from 110.51 (an upward revision) in November. The decrease marks a 1.2 percent decline in the ETI over the past 12 months.

“The Employment Trends Index decreased in December and continues to be on a flat trend since the summer of 2018. In the current state of the labor market, a flat index is consistent with an ongoing labor market expansion. We expect job growth to remain solid and the labor market to continue tightening,” said Gad Levanon, Head of The Conference Board Labor Markets Institute. “In Friday’s job report, the broadest measure of labor market slack, known as the U6 rate, fell to 6.7 percent, the lowest level on record. Such a tight labor market is a growing obstacle for further economic growth, but not a big enough obstacle to derail the US economy from its two percent growth trajectory.”

December’s decline was fueled by negative contributions from five of the eight components. From the largest negative contributor to the smallest, these were: Initial Claims for Unemployment Insurance, the Percentage of Firms With Positions Not Able to Fill Right Now, the Percentage of Respondents Who Say They Find “Jobs Hard to Get,” Real Manufacturing and Trade Sales, and Job Openings.

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>.

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 2018. 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>

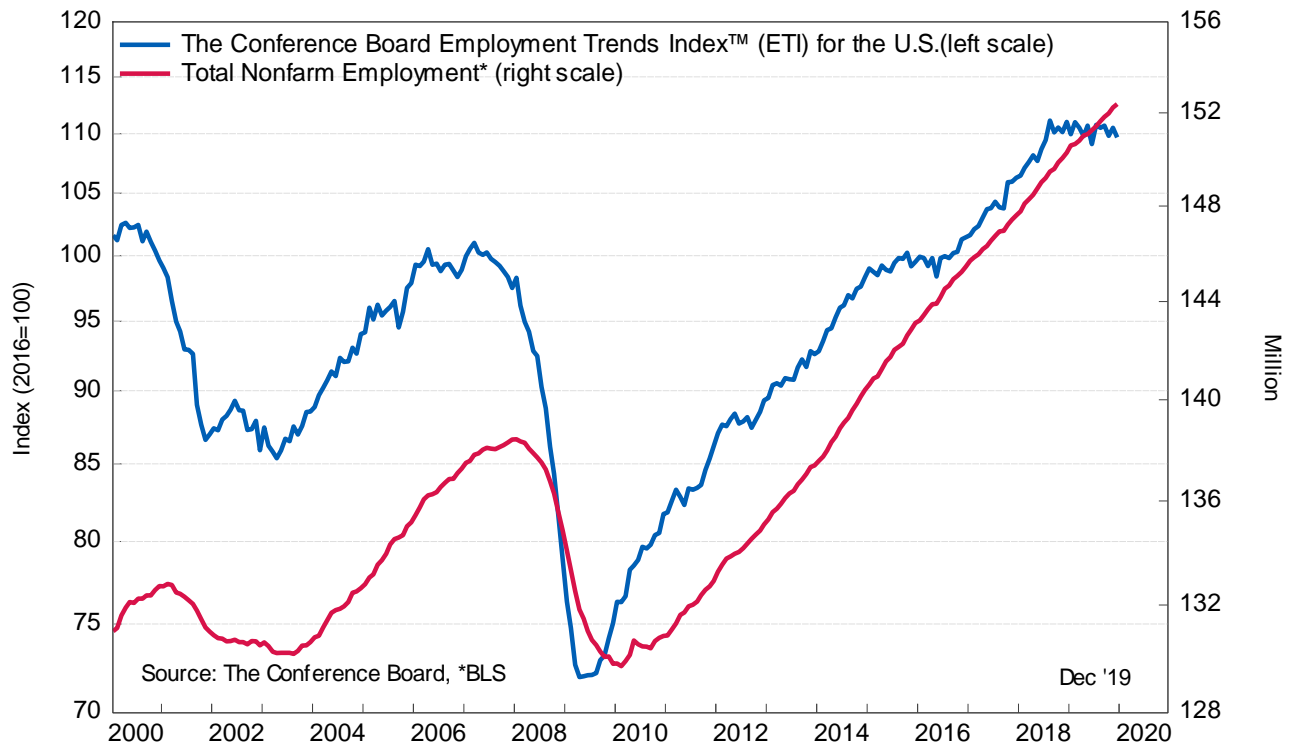
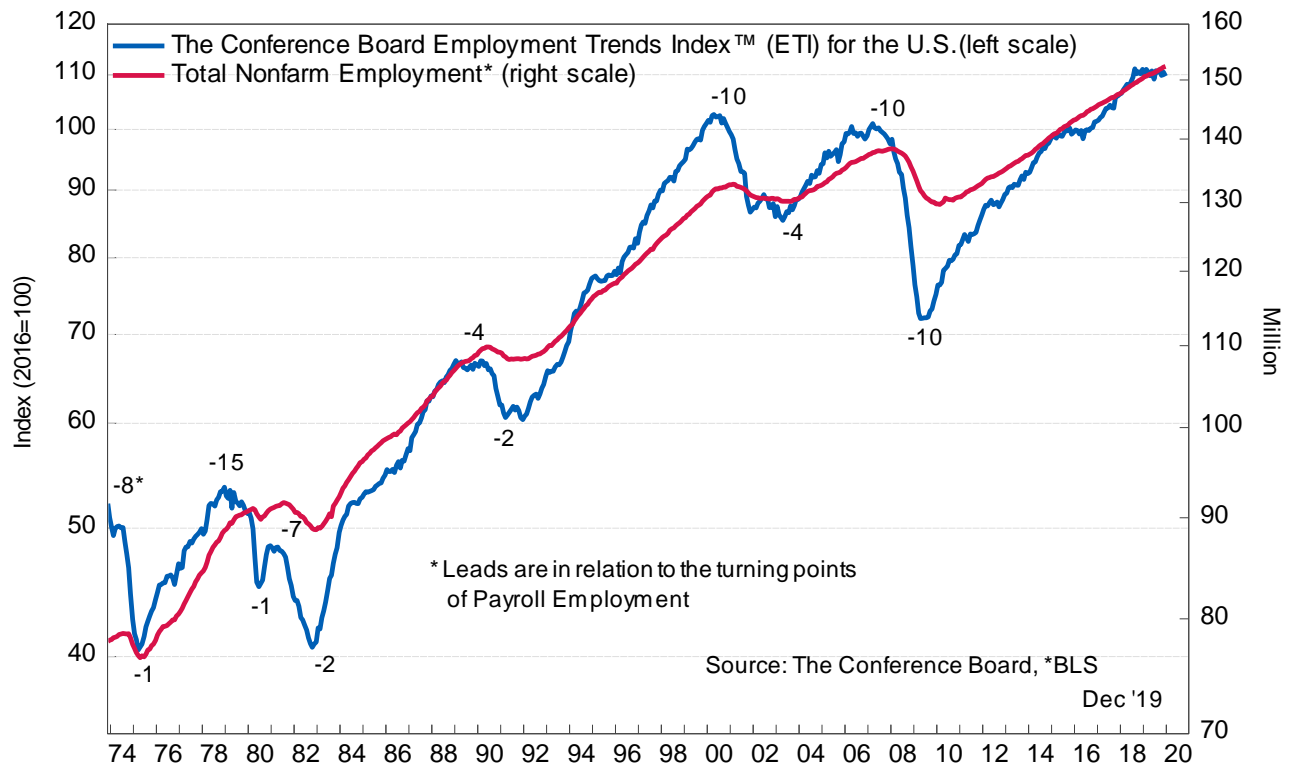
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Employment Trends Index (ETI)™ 2020 Publication Schedule

Index Release Date (10 AM ET)	Data for the Month
Monday, February 10	January 2020
Monday, March 9	February
Monday, April 6	March
Monday, May 11	April
Monday, June 8	May
Monday, July 6	June
Monday, August 10	July
Tuesday, September 8*	August
Monday, October 5	September
Monday, November 9	October
Monday, December 7	November

* Tuesday release due to holiday



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