

News Release

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The Conference Board Employment Trends Index™ (ETI) Dropped Further in April

Index declines further as job market deteriorates amid COVID-19

NEW YORK, May 11, 2020...The Conference Board Employment Trends Index™ (ETI) declined further in April, following a sharp decline in March. The index now stands at 43.43, down from 57.87 (a downward revision) in March. The index is down 60.2 percent from a year ago.

“The Employment Trends Index plunged in March and April, with all components of the index moving far into negative territory,” said Gad Levanon, Head of The Conference Board Labor Markets Institute. “A decline in jobs of this magnitude is unprecedented. The principal objective of the economy going forward is to accommodate the delicate balance of getting people back to work while minimizing the spread of the virus. Millions of workers in businesses that were shut down will return to work over the coming months as states start to reopen their economies. However, for many companies, massive layoffs will continue in the coming months as they try to adjust to lost revenue with cost cuts. Beginning in May or June, we expect that the number of workers returning to work will be larger than the number being furloughed or laid off. This would mean the unemployment rate will start to decline. At the end of the year, however, the labor market may still be in worse condition than it was at the peak of the Great Recession.”

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

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>.

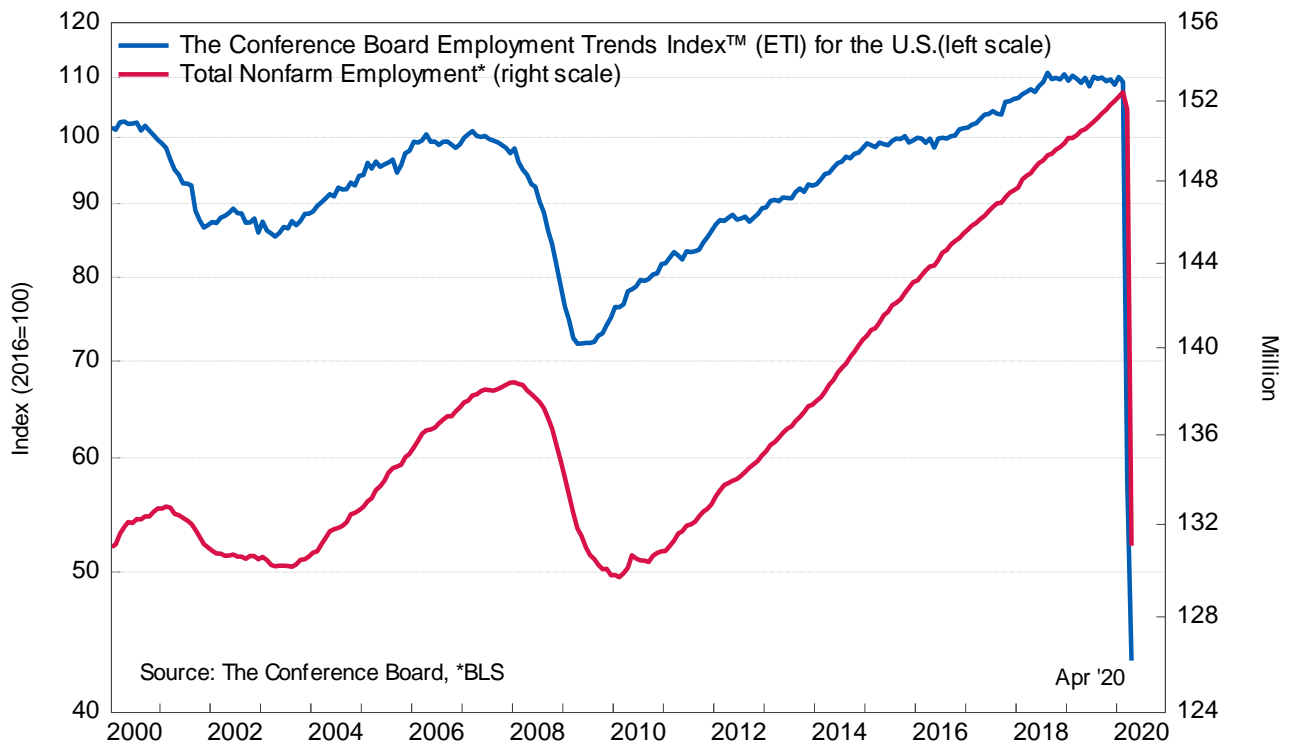
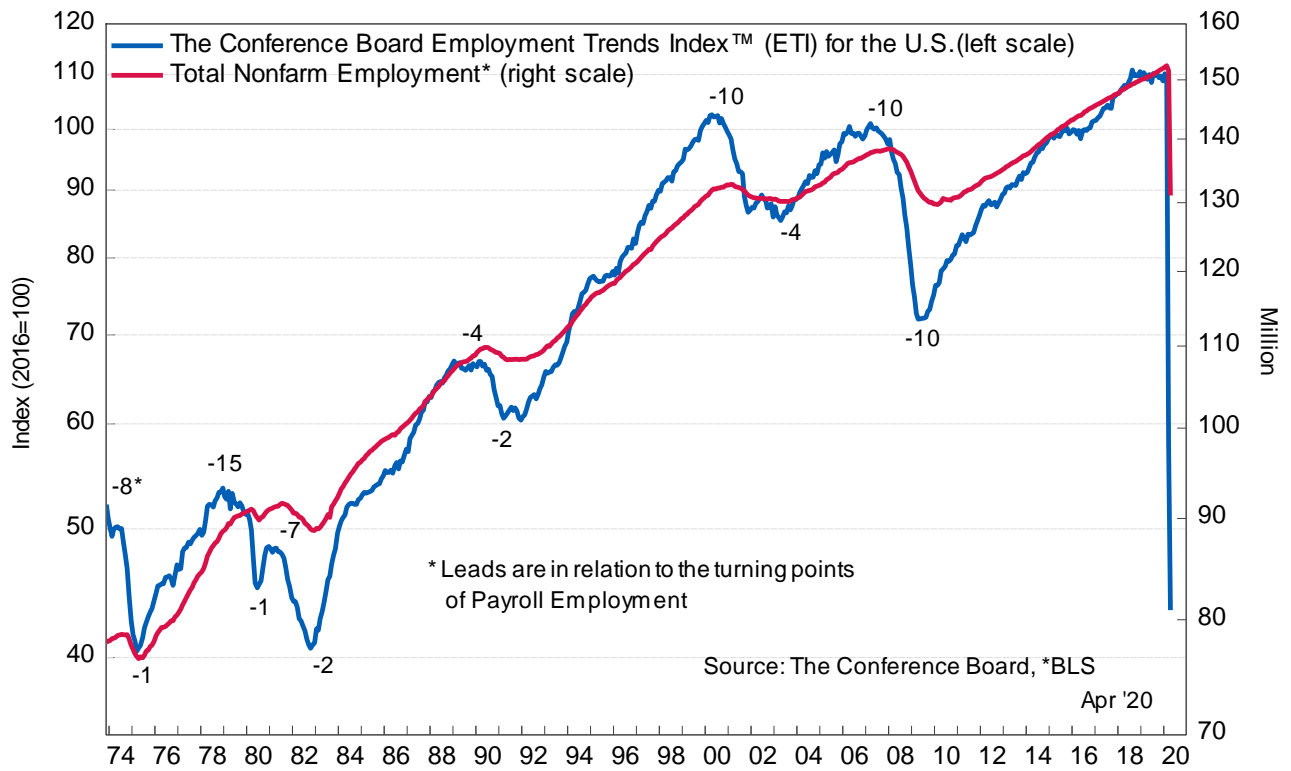
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Employment Trends Index (ETI)[™] 2020 Publication Schedule

Index Release Date (10 AM ET)	Data for the Month
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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