

News Release

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

Job growth retains upward momentum

NEW YORK, September 8, 2020...The Conference Board Employment Trends Index™ (ETI) increased in August, following increases in May, June, and July. The index now stands at 52.55, up from 51.37 (an upward revision) in July. However, the index is down from 109.8 a year ago.

“Despite the rise in new COVID-19 cases at the beginning of the summer, job growth continues to gain momentum: the Employment Trends Index increased for the fourth consecutive month,” said Gad Levanon, Head of The Conference Board Labor Markets Institute. “Over the coming months, job growth will persist as industries impacted by social distancing such as travel, hotels, restaurants, and personal care will continue to recover. However, another wave of infections this fall would limit the expansion of the US labor market.”

August’s increase was fueled by positive contributions from six of the eight components. From the largest positive contributor to the smallest, the components were: Initial Claims for Unemployment Insurance; the Number of Employees Hired by the Temporary-Help Industry; the Ratio of Involuntarily Part-time to All Part-time Workers; Percentage of Firms With Positions Not Able to Fill Right Now; Job Openings; and Industrial Production.

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

Please note that on September 3, 2020, the Department of Labor (DOL) changed the way it calculates seasonal adjustment factors for national initial claims and continued claims data. The revised seasonal factors are calculated as additive factors as opposed to multiplicative factors. See details: <https://www.dol.gov/sites/dolgov/files/OPA/newsreleases/ui-claims/20201671.pdf>. Starting this September the Bureau of Labor Statistics' staff, who provide the seasonal adjustment factors, specified these series as additive.

The Conference Board is currently using official data published by DOL as an input to calculate the Employment Trends Index (ETI) – namely, the initial unemployment claims series. The impact on the ETI from the differences in the historical values of the initial claims component of the ETI under the alternative seasonal adjustment methodologies were minimal. Seasonal adjustment models and factors will be reviewed at the beginning of next calendar year, when prior years of ETI data undergo an annual benchmark revision. If changes for the input data are needed, they will be reviewed and implemented.

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>.

About The Conference Board

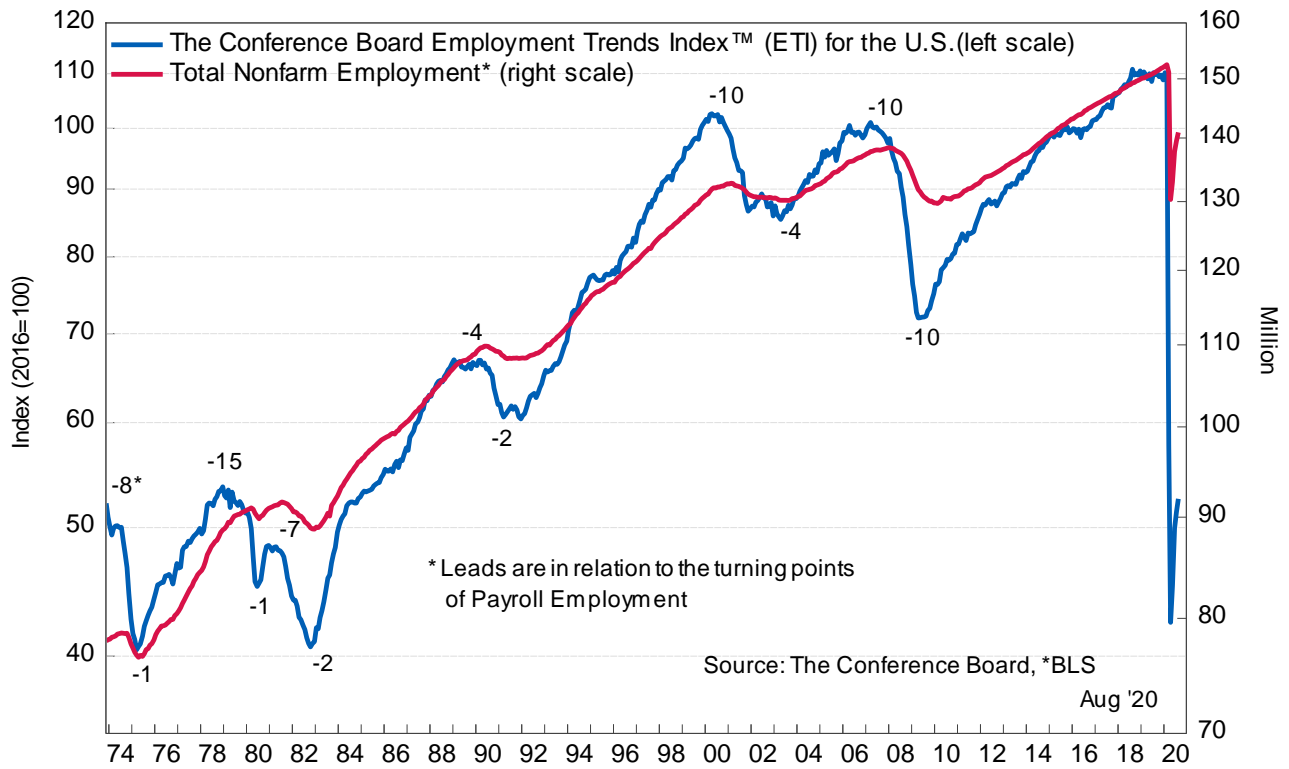
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Employment Trends Index (ETI)TM 2020 Publication Schedule

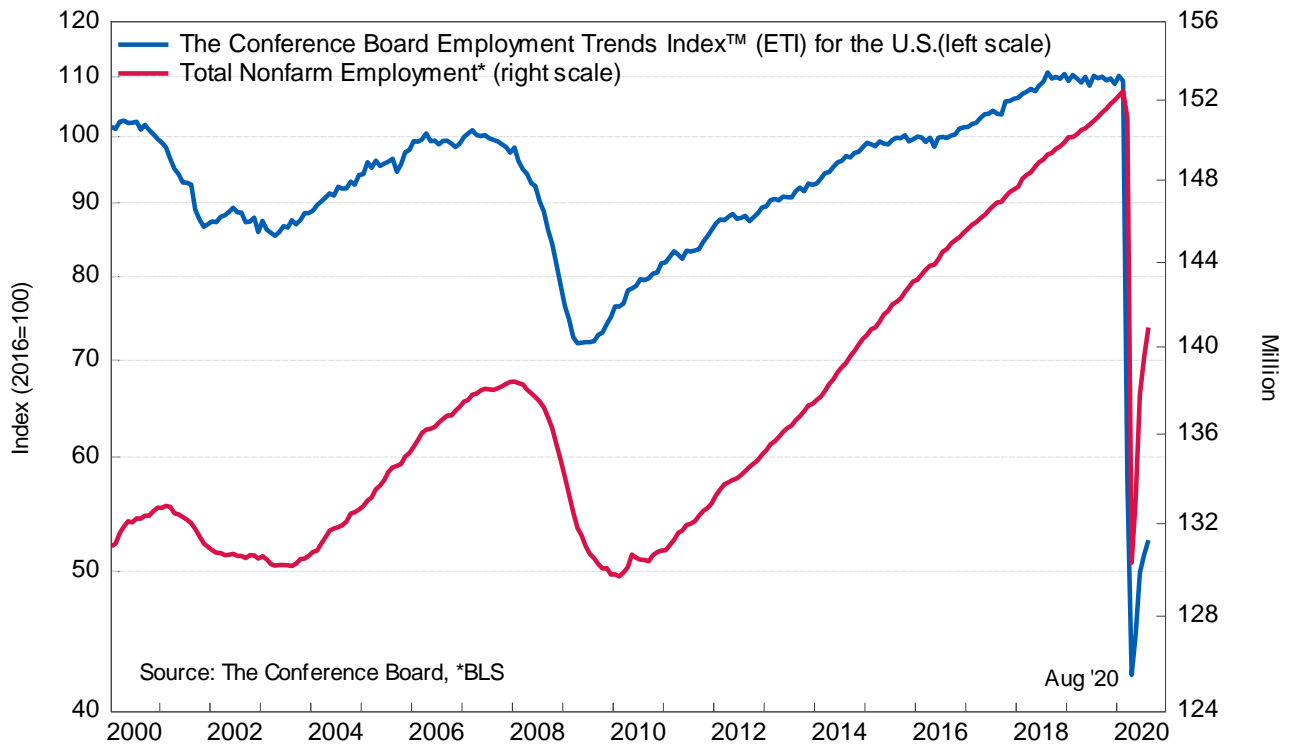
Index Release Date (10 AM ET)	Data for the Month
Monday, October 5	September
Monday, November 9	October
Monday, December 7	November

* Tuesday release due to holiday

The Conference Board Employment Trends Index™ and turning points, November 1973 to Present



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



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