

News Release

Further information:

jonathan.liu@tcb.org

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

Historically rapid job growth expected in the coming months

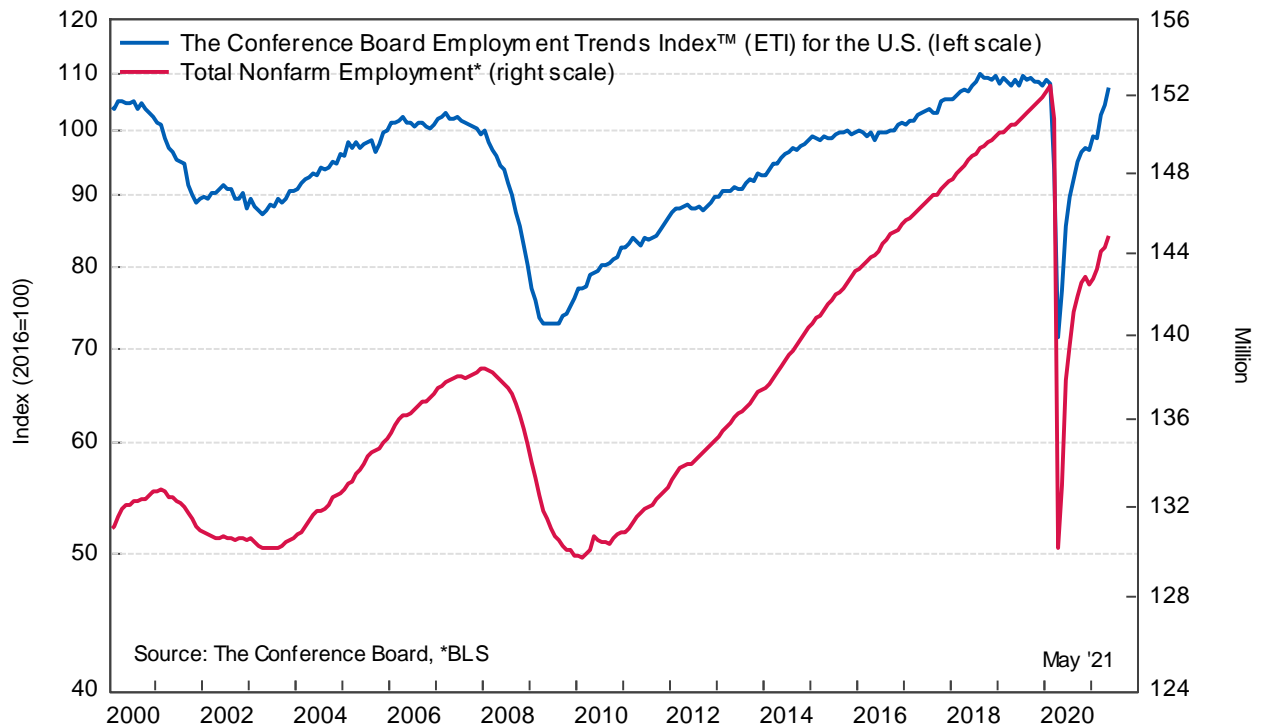
NEW YORK, June 7, 2021...The Conference Board Employment Trends Index™ (ETI) significantly increased in May, after an increase in April. The index now stands at 107.35, up from 104.31 (a downward revision) in the previous month. The index is currently up 39.4 percent from a year ago.

“In the past three months, the Employment Trends Index grew much faster than any other three-month period in the history of the index prior to the pandemic. This marked acceleration suggests historically strong job growth in the coming months,” said Gad Levanon, Head of The Conference Board Labor Markets Institute. “Past index data had signaled growing labor shortages, but the most recent data strongly reinforces this trend. Indeed, forty-eight percent of firms reported an inability to fill positions in May’s NFIB survey—an all-time record. Job shortages are likely to be more acute in those states that opened first, less in those that still have restrictions. The labor shortages are causing wage growth to surge. Average hourly earnings in the past two months rose by 7.4 percent (annual rate), which is two to three times the typical growth rate in recent decades. If the current rate of wage growth continues for several more months, it could significantly impact inflation and monetary policy. Toward the end of 2021, labor shortages are likely to ease as some of the labor supply constraints moderate.”

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

The Employment Trends Index is a leading composite index for employment. Turning points in the index indicate that a turning point in the number of jobs is about to occur in the coming months. 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.

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>.

Media Contact

Jonathan.Liu@tcb.org

About The Conference Board

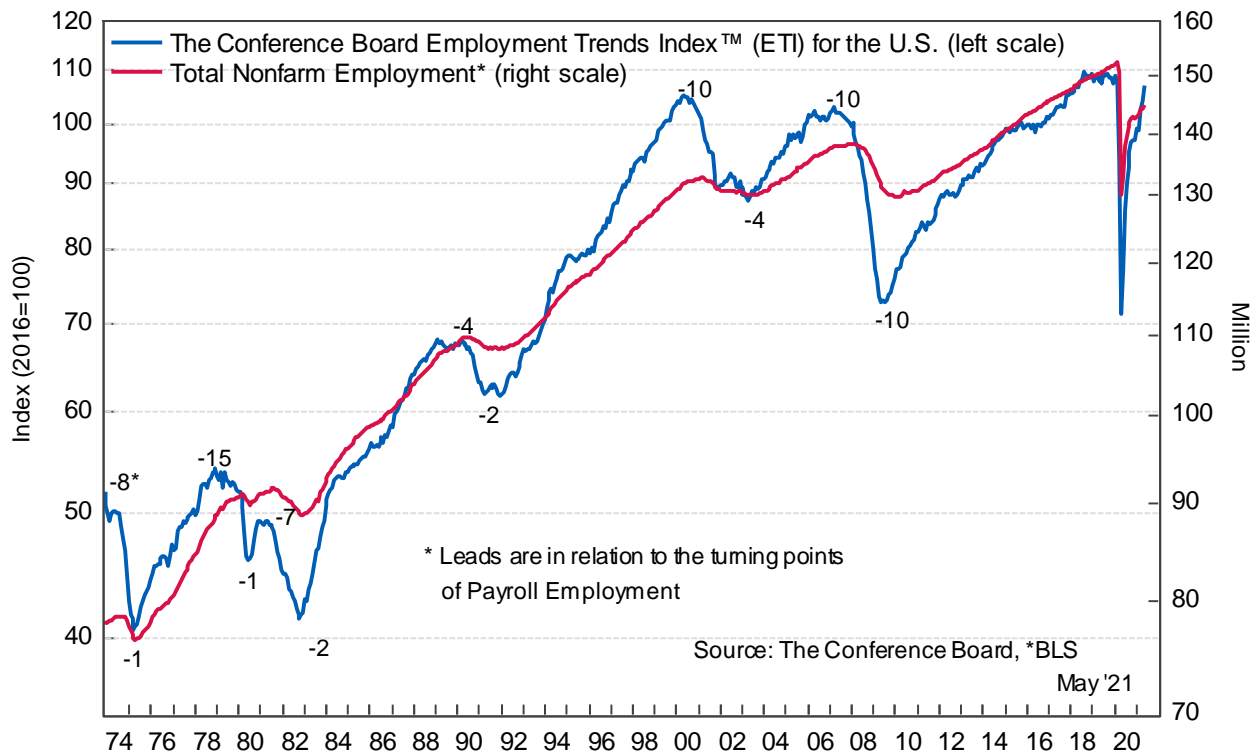
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Employment Trends Index (ETI)TM 2021 Publication Schedule

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

* Tuesday release due to holiday

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



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