

News Release

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The Conference Board Employment Trends Index™ (ETI) Decreased in September *Index Points to Slowing Labor Market at Time of Fed Rate Cut*

NEW YORK, October 7, 2024...The Conference Board Employment Trends Index™ (ETI) decreased in September to 108.48, from an upwardly revised 109.54 in August. The Employment Trends Index is a leading composite index for payroll employment. When the Index increases, employment is likely to grow as well, and vice versa. Turning points in the Index indicate that a change in the trend of job gains or losses is about to occur in the coming months.

“The ETI has been on an extended downtrend that mirrored the decline in job vacancies over the past two years, yet the overall employment picture has remained strong through much of that time,” said Mitchell Barnes, Economist at The Conference Board. “And while hiring has slowed in recent months from its former rapid pace, last week’s Employment Report showing outsized gains in September should alleviate some concerns—right at the time the Fed has started its rate-cutting cycle. Despite falling steadily from its peak, the ETI remains around 2018-19 levels.”

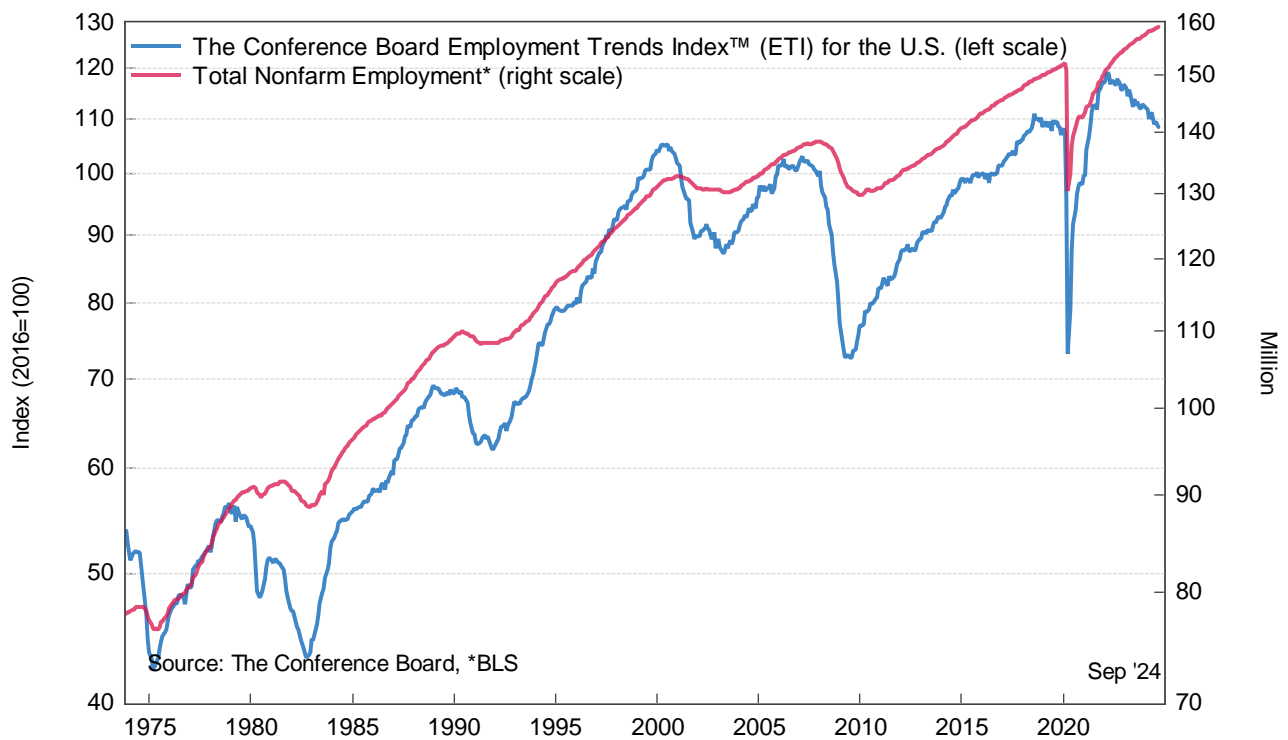
While topline payrolls gained 253,000 and the unemployment rate fell, the ETI components from the September jobs report—**employment in temporary help services** and **share of involuntary part-time workers**—were both largely flat. **Job openings** (an ETI component) showed an unexpected jump in August JOLTS data, but their downward trend has contributed to ETI’s decline since openings peaked in 2022.

The labor market shows no signs of rapid weakening as **initial claims for unemployment insurance** (an ETI component) have fallen to a weekly average of 224,000 in September—down 6% from June. **Industrial Production** and **Real Manufacturing and Trade Sales** (both ETI components) are each up by roughly 2% on the year and had strong readings in their recent releases.

“With many companies fully restaffed to prior levels, jobseekers have begun experiencing challenges entering the market at this stage,” added Barnes. The **share of respondents who report ‘jobs are hard to get’**—an ETI component from the [Consumer Confidence Survey®](#)—rose for the fifth consecutive month to 18.3% in September 2024. While concerning, this follows from a decline in job openings and tempered labor demand, which Fed policymakers were monitoring. The current level of job-finding difficulty is on par with survey responses in 2017—still not a sign of deterioration, especially as much of the input data for September reflects the period prior to the Fed interest rate cut.”

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

*** Note that per the latest BEA Real Manufacturing and Trade Sales [release](#), sales data from the retail sector was revised from January 2019 forward causing revisions to the ETI in line with the revised changes over the same period.

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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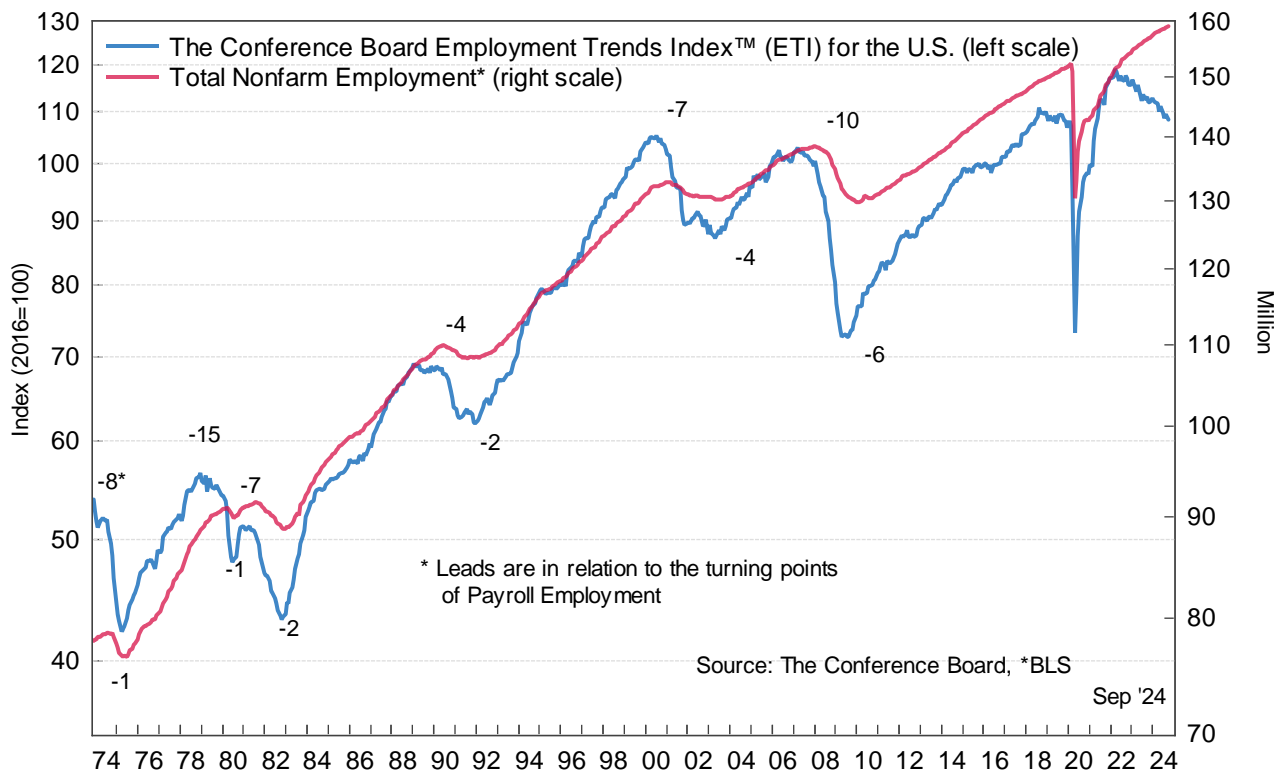
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Employment Trends Index (ETI)[™] 2024 Publication Schedule

Index Release Date (10 AM ET)	Data for the Month
Monday, January 8, 2024	December 2023
Monday, February 5	January 2024
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

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



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