Deutsche Bank Report Confirms That LinkUp Labor Market Data Provides Incremental and Uncorrelated Alpha

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MINNEAPOLIS (June 17, 2015) – LinkUp, one of the nation’s leading job search engines, announced that the global banking and financial services company Deutsche Bank recently published a report evaluating the predictive attributes of LinkUp’s labor market data. Following extensive analysis of LinkUp’s index of nearly 50 million current and historical job listings, Deutsche Bank’s Quantitative Strategy team published their findings in a 44-page report entitled Macro and Micro JobEnomics.

The purpose of Deutsche Bank’s 4-month project was to determine if LinkUp’s jobs listings, all of which are indexed directly from company websites, could provide unique insights into labor demand and the macro-economy as well as specific companies and industries. In particular, Deutsche Bank’s quant team was interested in assessing the extent to which LinkUp’s data could provide a unique source of ‘alpha,’ the term investment professionals give to investment returns above the market average. After rigorous analysis and extensive testing against approximately 60 stock selection strategies and factors, the Deutsche team concludes that LinkUp’s data can, indeed, be effectively leveraged to increase investment returns. The report states rather definitively, “We find that accounting and quant factors based on the job posting data set provide incremental and uncorrelated alpha.”

In addition to searching for alpha, the Deutsche Bank team looked at a variety of other financial and investment-related applications for LinkUp’s data including, among others, sector analysis, individual company analytics, non-farm payroll forecasting, and regional labor demand. The report goes on to state that, “We further find that [LinkUp’s] job postings are correlated to various job-centric macroeconomic indicators such as non-farm payrolls and the unemployment rate. Job postings can even assist portfolio managers with sector rotation strategies.”

Lastly, the Deutsche team conducted natural language analysis on the millions of complete job descriptions in LinkUp’s database to determine how those job descriptions could be leveraged to identify interesting or actionable trends within the labor market, the changing nature of the workforce, and specific key-words as they relate to companies and industries. In that regard, the report states that, “We also find that the textual or word components in job posting descriptions are indicative of current industry trends and fads.” For a complete copy of the report, please contact Javed Jussa at javed.jussa@db.com.

About LinkUp
LinkUp is one of the largest job sites on the web with 3.2 million job openings sourced from 50,000 company websites throughout the world. Completely unique in the industry, LinkUp is the only job search engine that exclusively indexes job openings found on corporate websites. As a result, LinkUp offers the highest-quality jobs listings on the web and delivers a highly differentiated user experience for job seekers, translating into a phenomenal value proposition for the company’s employer advertisers. LinkUp has also leveraged its unique, high-quality index of job listings to develop a number of labor market data products and services. As a contributor to Bloomberg’s monthly non-farm payroll survey, LinkUp issues monthly non-farm payroll forecasts that can be found at LinkUp.com.