










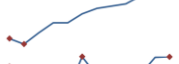



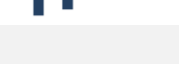
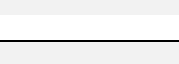


Data Insights: Jobs

Friday, September 6, 2013

Today's jobs data: what you need to know

Non-farm payrolls	Change Aug: +169	Revision Jul: -58	Revision Jun: -16	
Private payrolls	Change Aug: +152	Revision Jul: -34	Revision Jun: -2	
Employment	Change Aug: -115			
Unemployment	Change Aug: -198			
Civilian labor force	Change Aug: -312	4.32 million below trend	63.3% of leavers unemployed	
Unemployment rate	Aug: 7.28%	Change Aug: -0.11%		
Underemployment rate	Aug: 13.7%	Change Aug: -0.3%		
Participation rate	Aug: 63.2%	Change Aug: -0.2%		
UE adjusted for participation	Aug: 12.8%	Change Aug: +0.17%		
Avg weeks unemployed	Aug: 37	Change Aug: +0.4		
% longterm unemployed	Aug: 37.9%	Change Aug: +0.9%		
Agg hours worked index	Aug: 98.8	Change Aug: +0.4%		
Agg weekly earnings	Aug: 113.3	Change Aug: +0.6%		
Monthly job-finding probability	Aug: 26.2%	Change Aug: +0.0%		
Monthly separation probability	Aug: 2.0%	Change Aug: +0.0%		
% involuntary part-time	Aug: 5.5%	Change Aug: -0.2%		
"Household" vs "Payroll" jobs	Change Aug: +117			

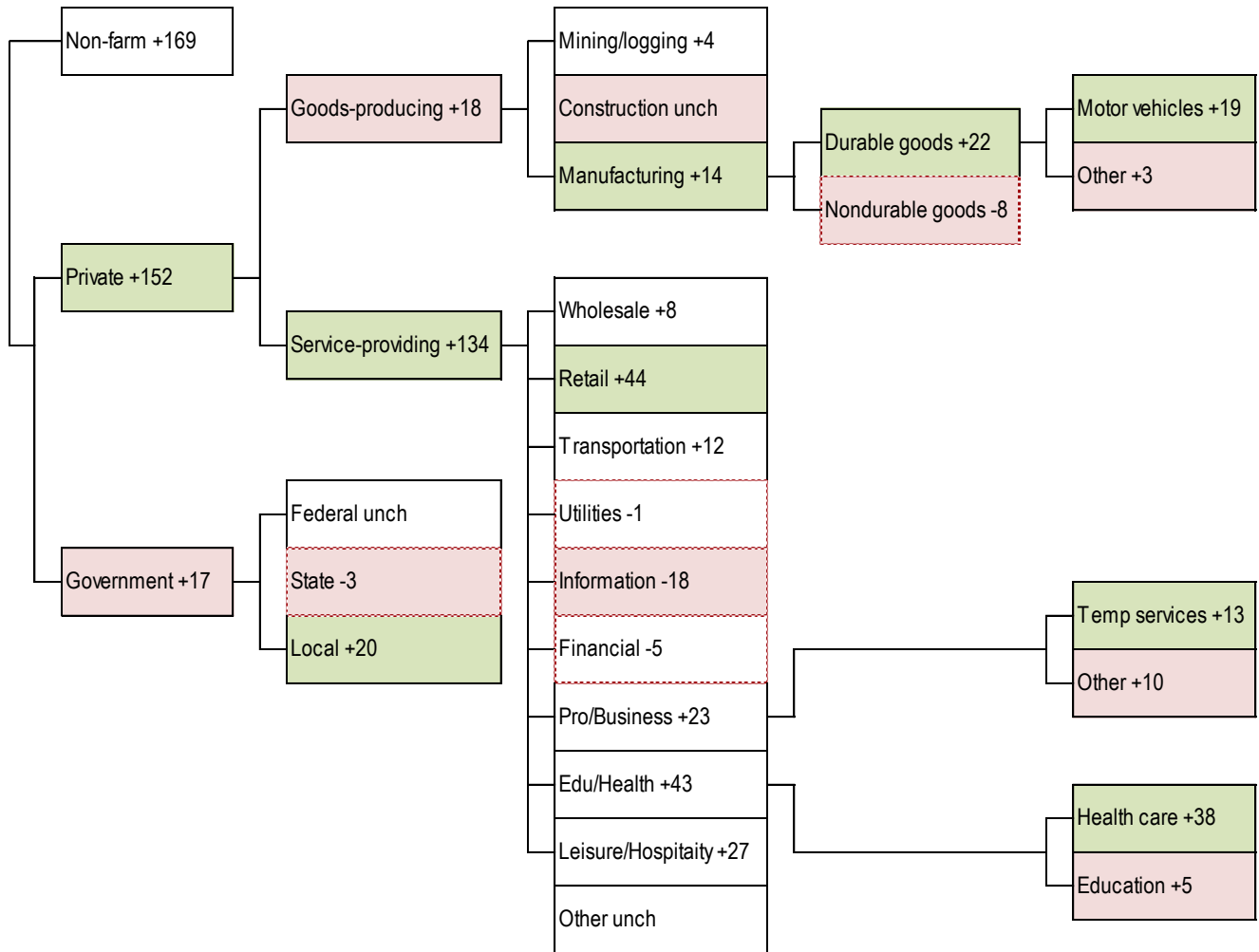
Source: Bureau of Labor Statistics, TrendMacro calculations

For more information contact us:

Donald Luskin: 312 273 6766 don@trendmacro.com
 Thomas Demas: 704 552 3625 tdemas@trendmacro.com

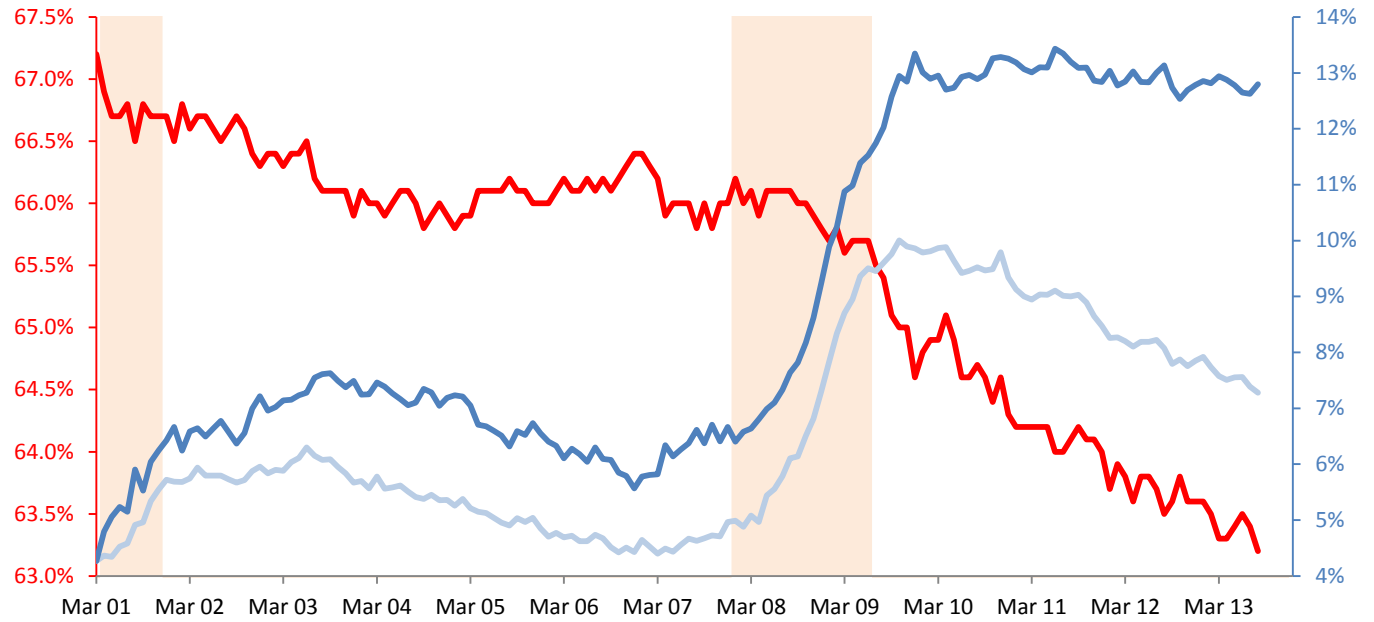
Today's payroll data: what you need to know -- where did the jobs come from?

Sequential month change, SA --- Net job losses Biggest change per detail module: ■ best ■ worst



Unemployment rate normalized for peak participation rate March 2001

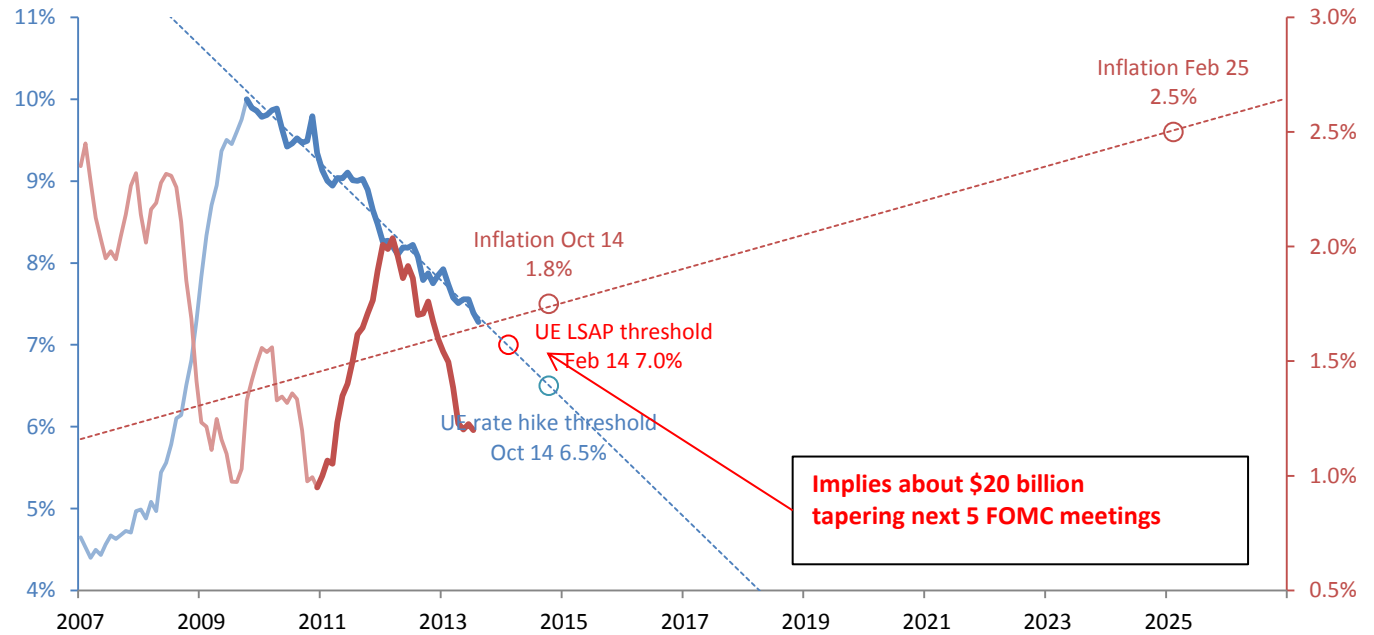
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

When will the Fed start tightening under the "Evans Rule?"

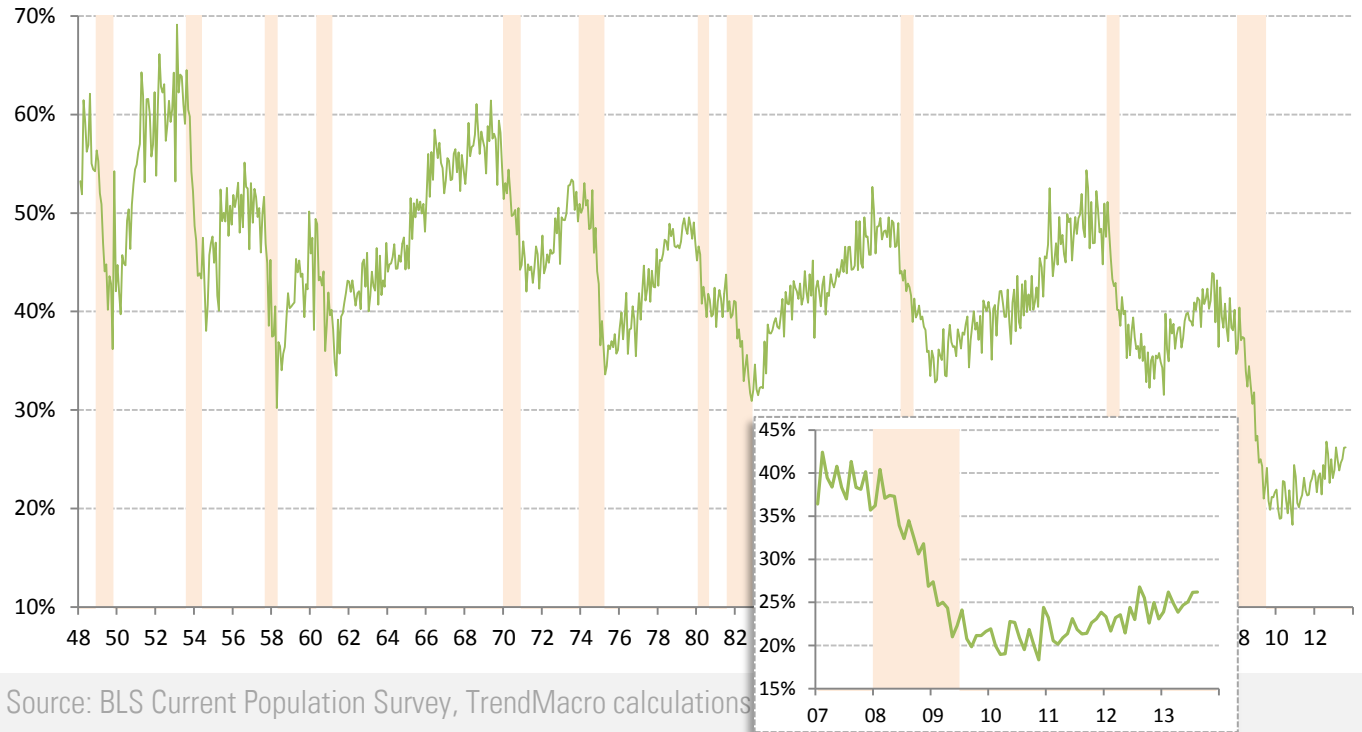
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

Monthly job-finding probability (the outflow rate from unemployment)

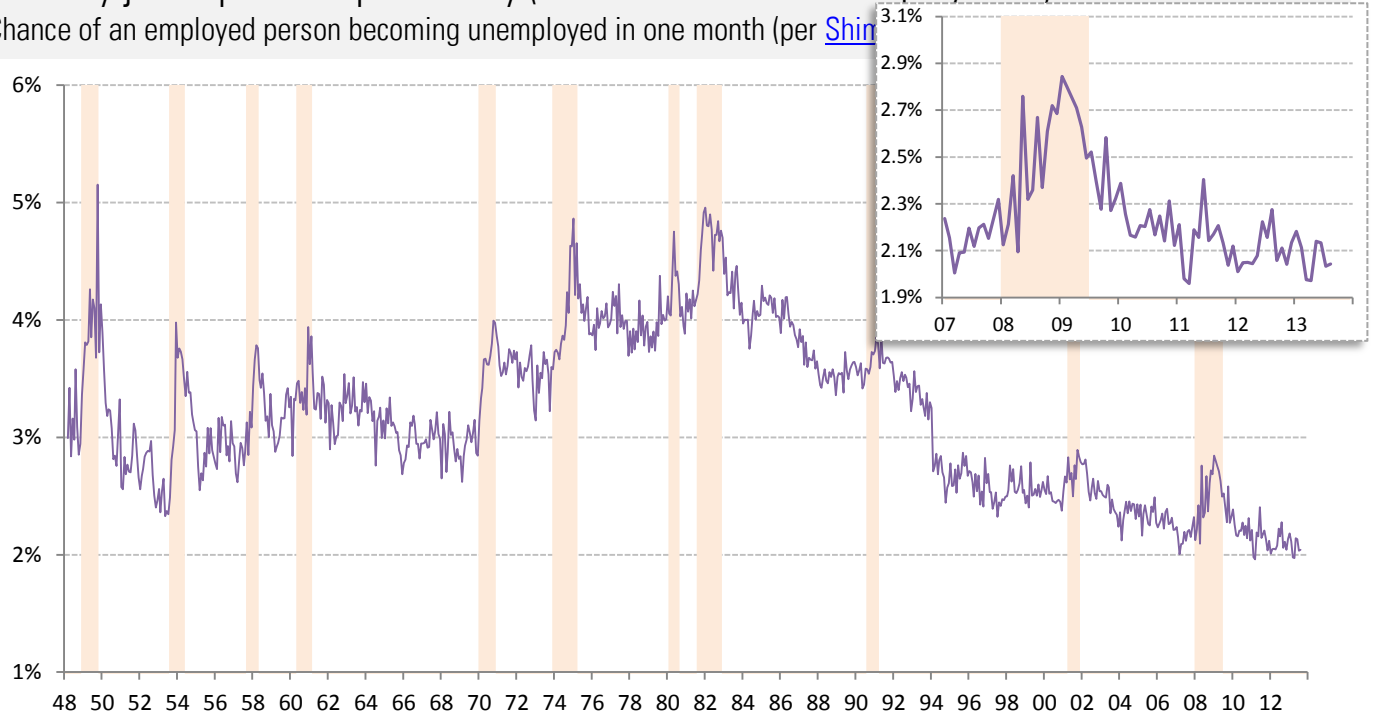
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

Monthly job-separation probability (the inflow rate to unemployment)

Chance of an employed person becoming unemployed in one month (per [Shim](#)

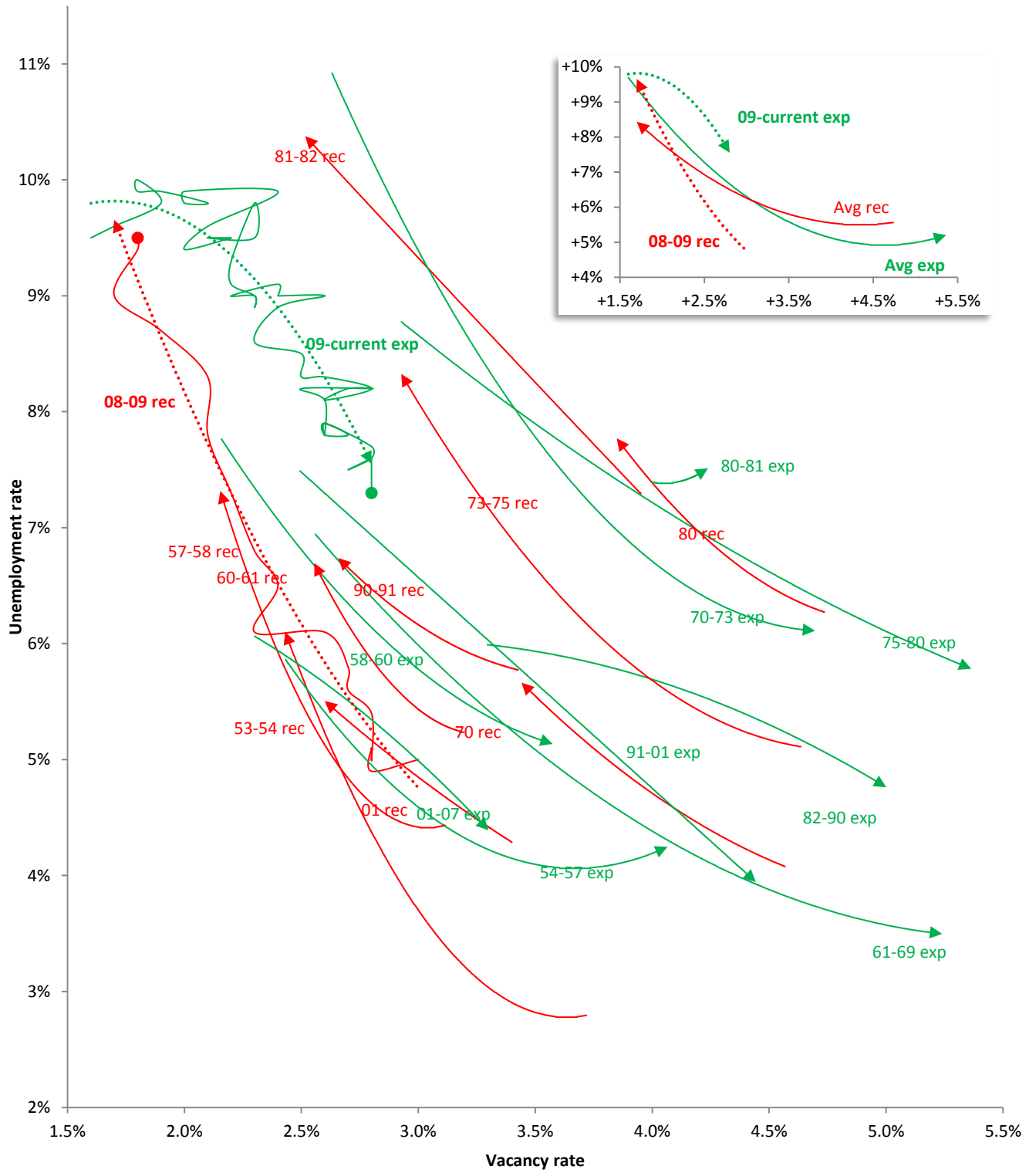


Source: BLS Current Population Survey, TrendMacro calculations

The Beveridge Curve

Cycle relationship between unemployment and job openings

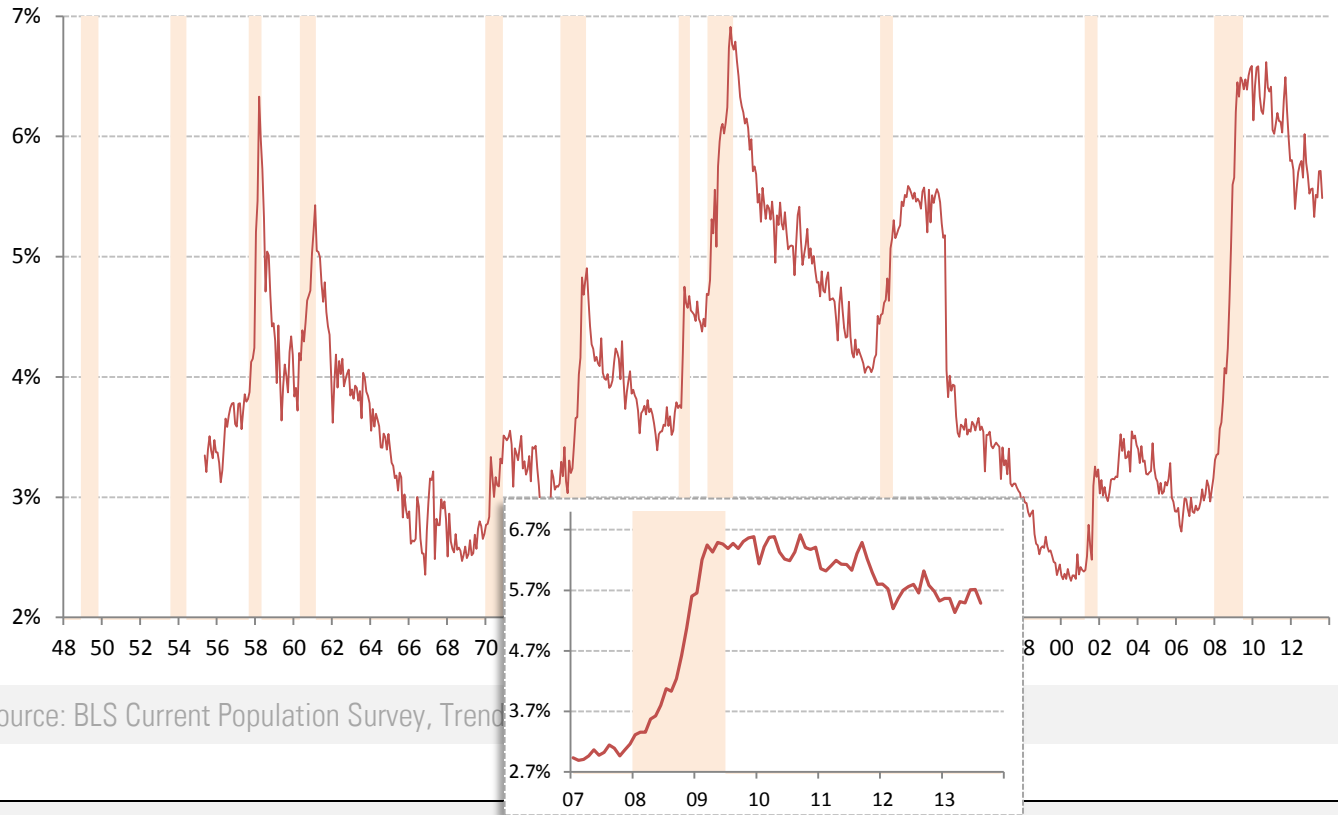
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



Source: BLS Current Population Survey & JOLTS. Pre-2000:Conference Board normalized per [Valletta \(2005\)](#), TrendMacro calculations

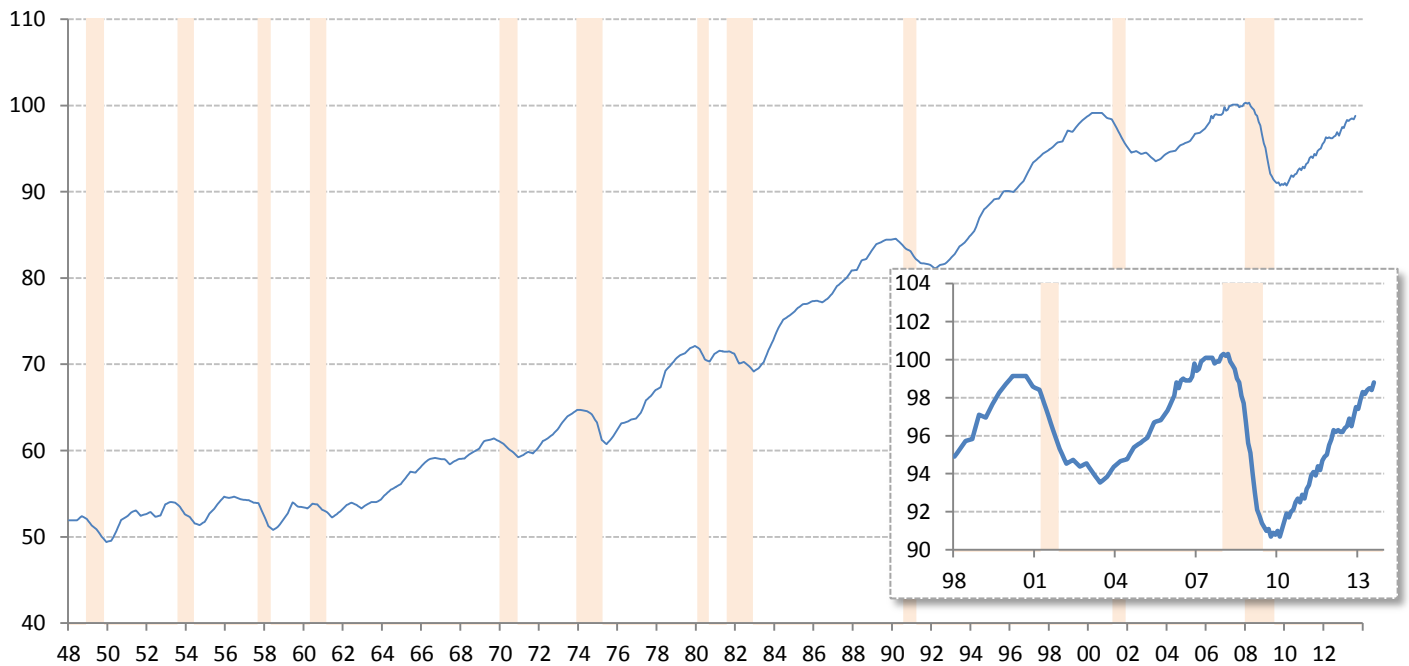
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



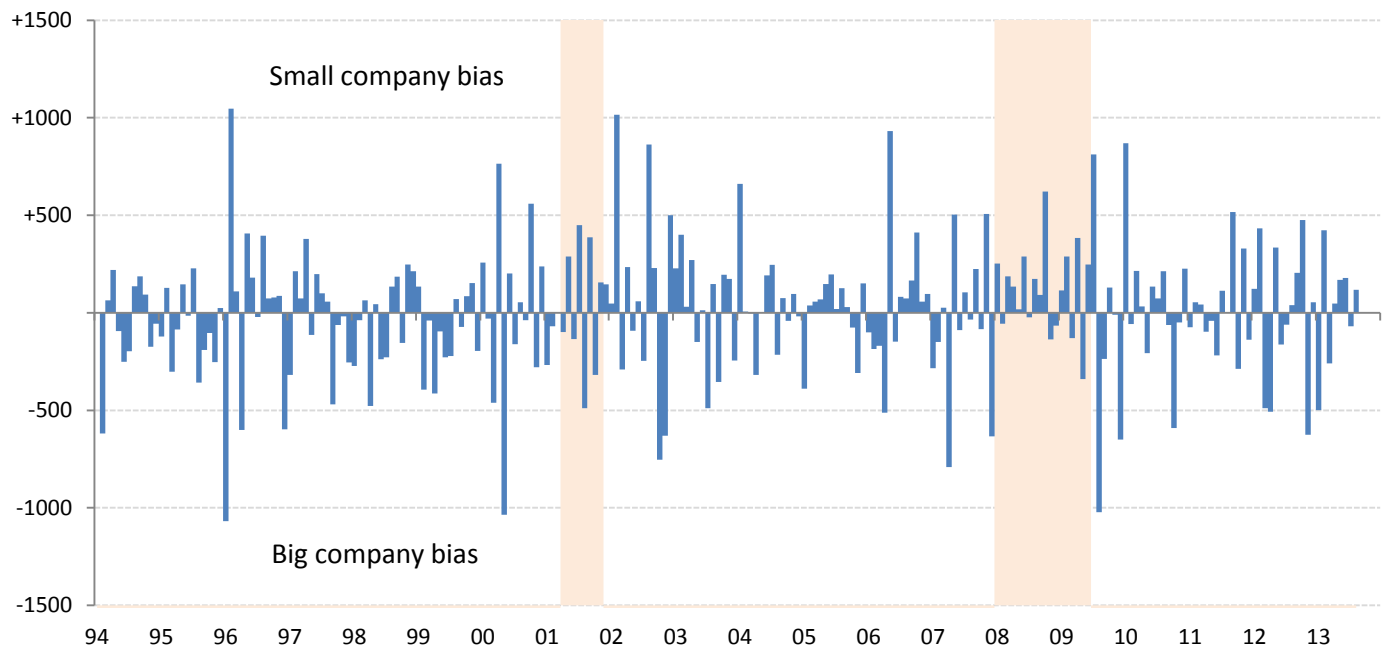
Source: BLS Current Population Survey, Trend

Aggregate weekly private hours-worked index ■ Recession



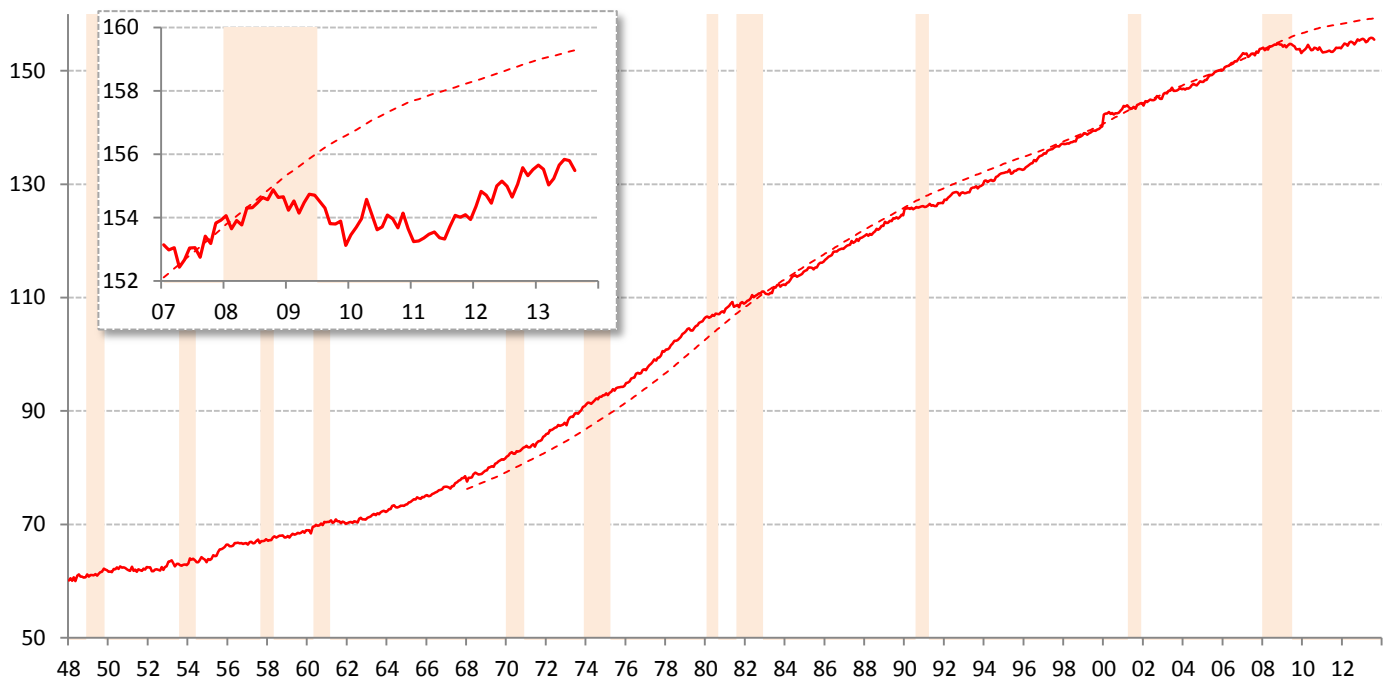
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

Difference in employment change: "household" minus "payroll" surveys ■ Recession



Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

Civilian labor force versus 20-year trend ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations