











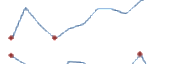



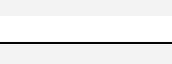


Data Insights: Jobs

Friday, January 10, 2014

Today's jobs data: what you need to know

Non-farm payrolls	Change Dec: +74	Revision Nov: +38	Revision Oct: unch	
Private payrolls	Change Dec: +87	Revision Nov: +30	Revision Oct: +3	
Employment	Change Dec: +143			
Unemployment	Change Dec: -490			
Civilian labor force	Change Dec: -357	4.50 million below trend	More than all leavers unemployed	
Unemployment rate	Dec: 6.68%	Change Dec: -0.30%		
Underemployment rate	Dec: 13.1%	Change Dec: unch		
Participation rate	Dec: 62.8%	Change Dec: -0.2%		
UE adjusted for participation	Dec: 12.8%	Change Dec: -0.04%		
Avg weeks unemployed	Dec: 37.1	Change Dec: -0.1		
% longterm unemployed	Dec: 37.7%	Change Dec: +0.4%		
Agg hours worked index	Dec: 99.1	Change Dec: -0.2%		
Agg weekly earnings	Dec: 114.2	Change Dec: -0.2%		
Monthly job-finding probability	Dec: 27.8%	Change Dec: +0.6%		
Monthly separation probability	Dec: 1.8%	Change Dec: -0.2%		
% involuntary part-time	Dec: 5.4%	Change Dec: +0.0%		
"Household" vs "Payroll" jobs	Change Dec: -82			

Source: Bureau of Labor Statistics, TrendMacro calculations

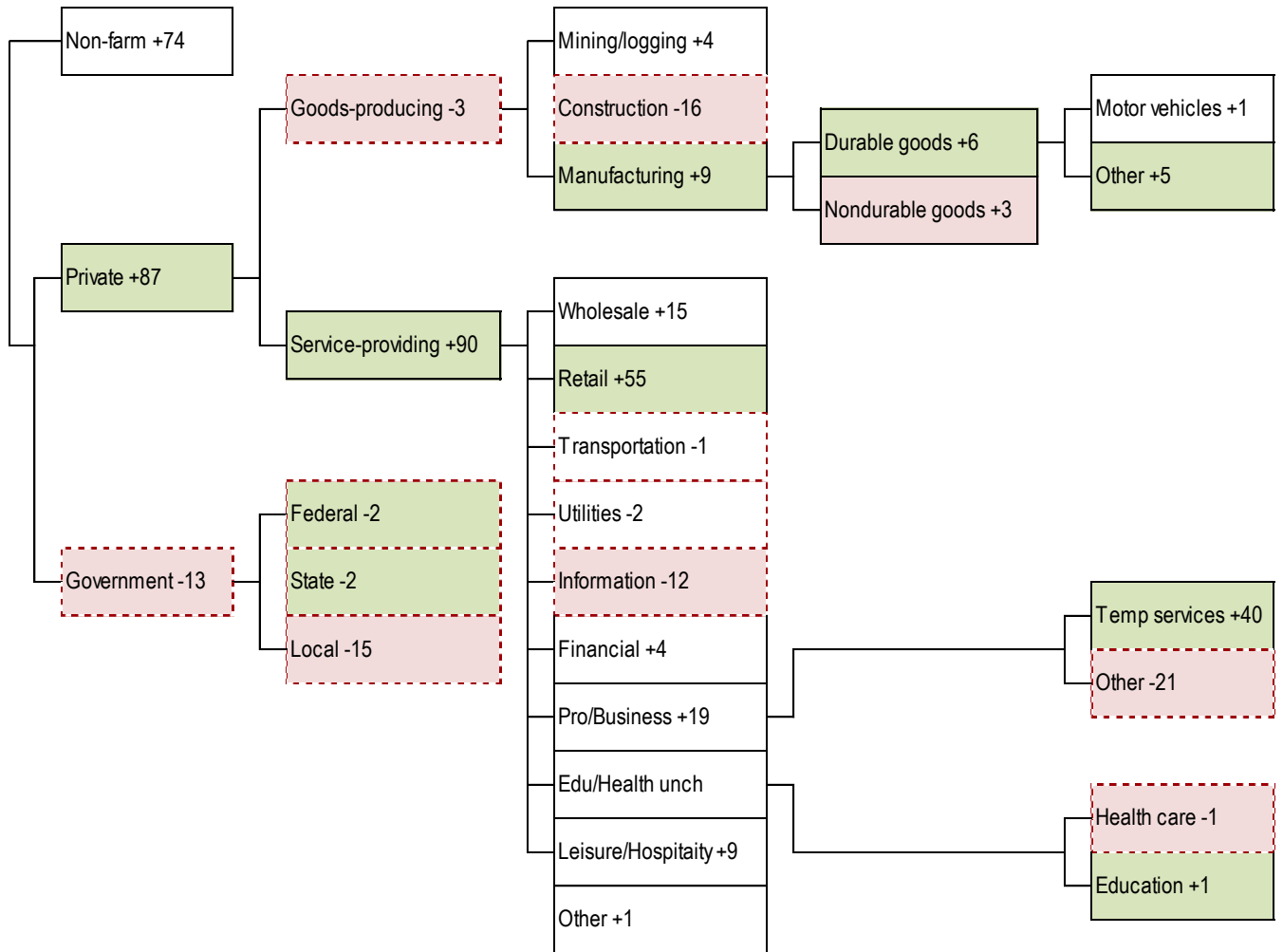
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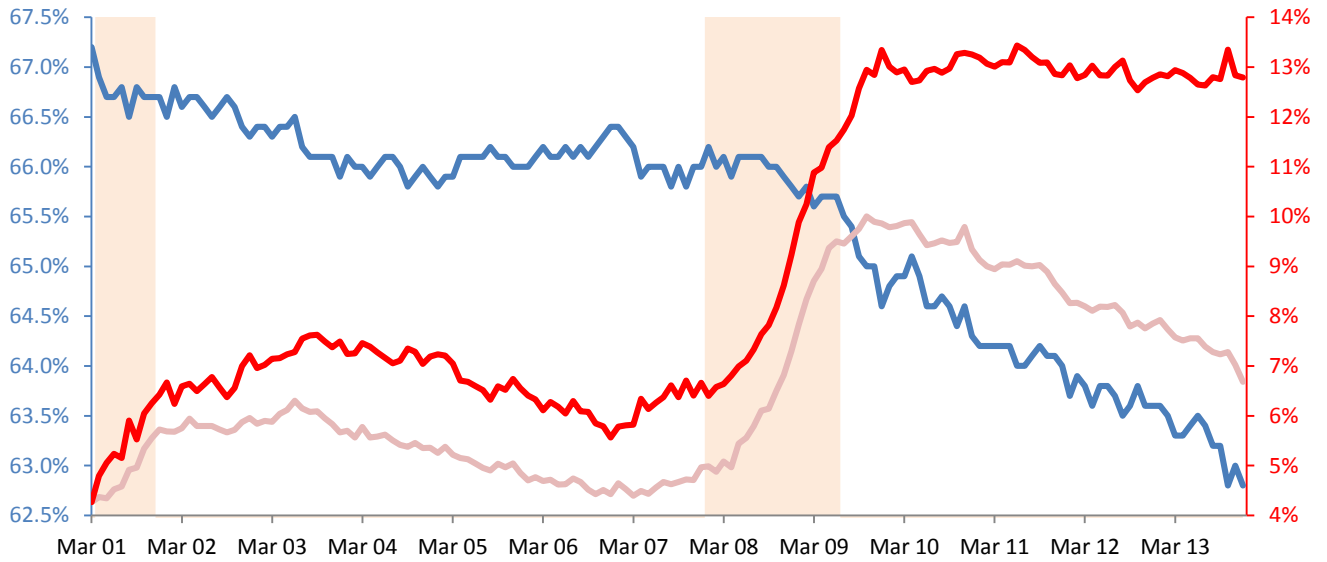
Today's payroll data: what you need to know -- where did the jobs come from?

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



Unemployment rate normalized for peak participation rate March 2001

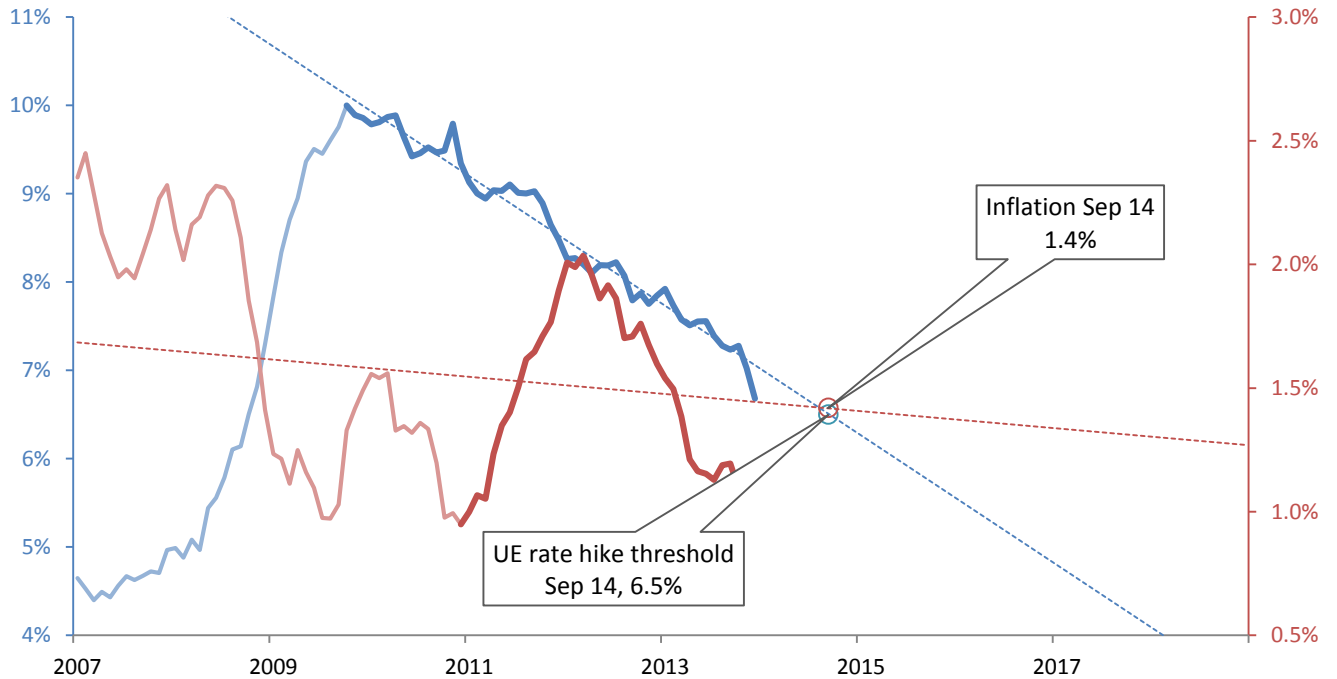
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

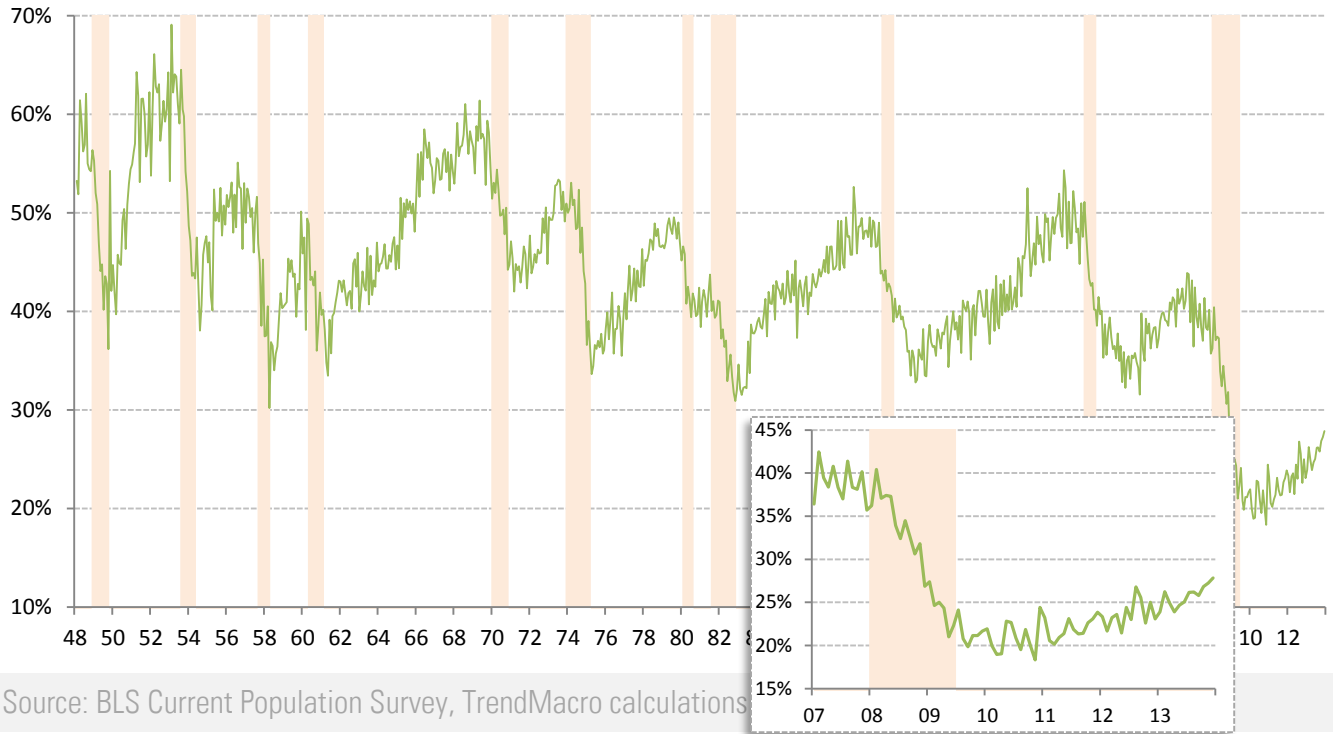
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

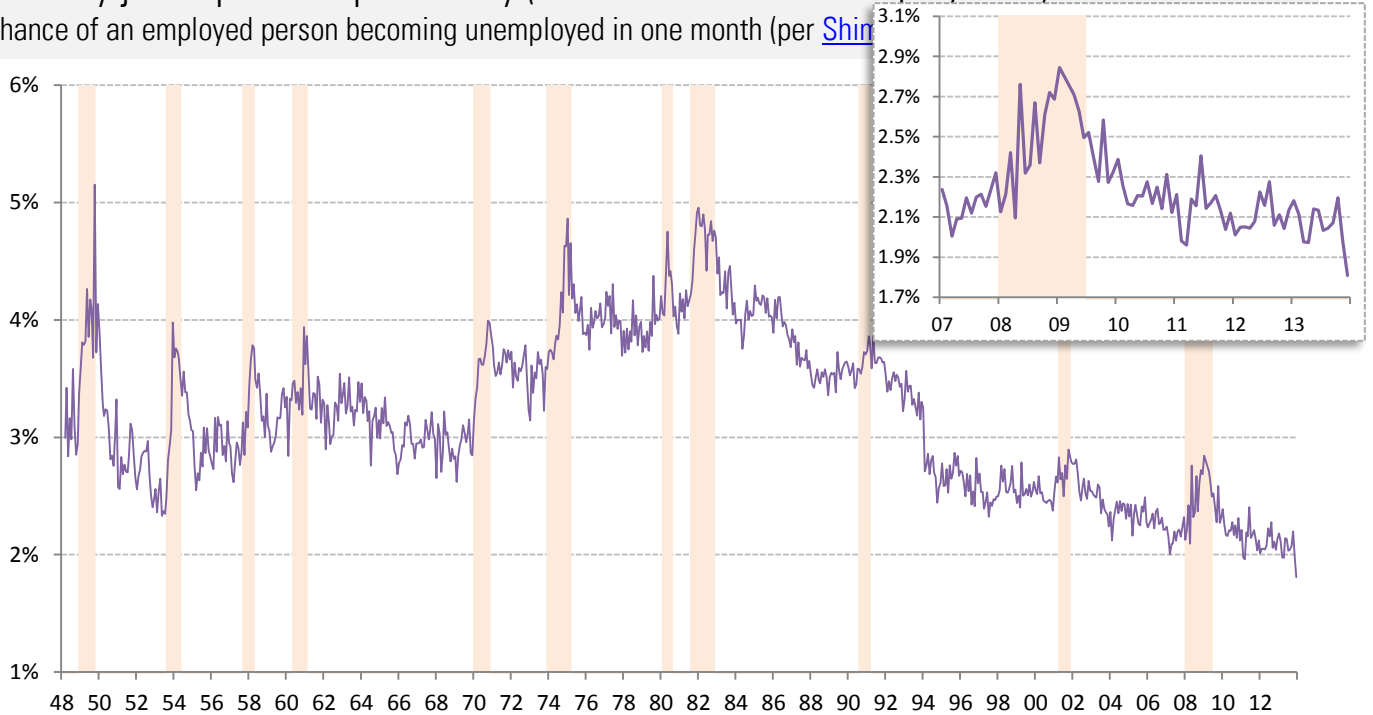
Monthly job-finding probability (the outflow rate from unemployment)

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



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

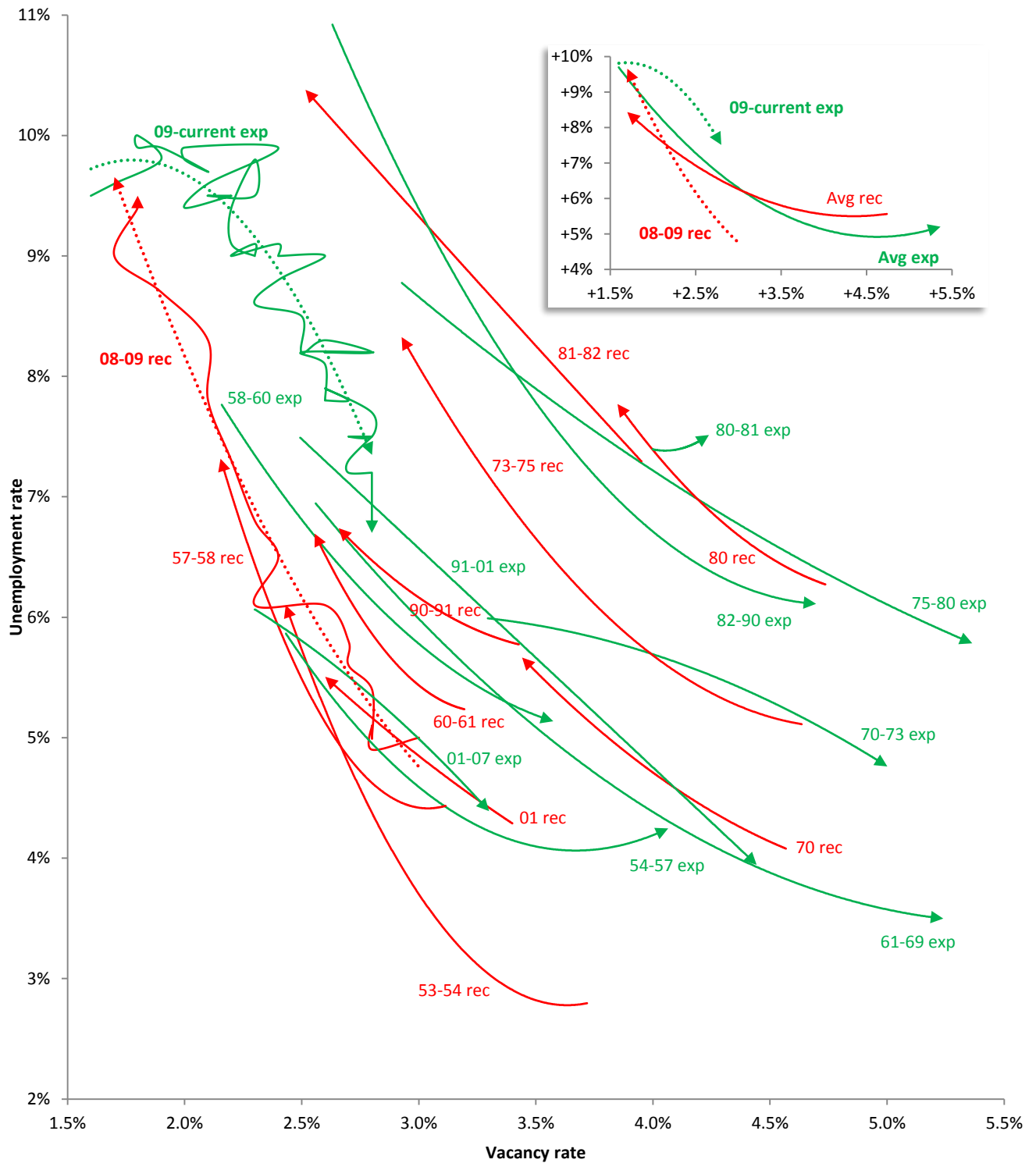
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))



The Beveridge Curve

Cycle relationship between unemployment and job openings

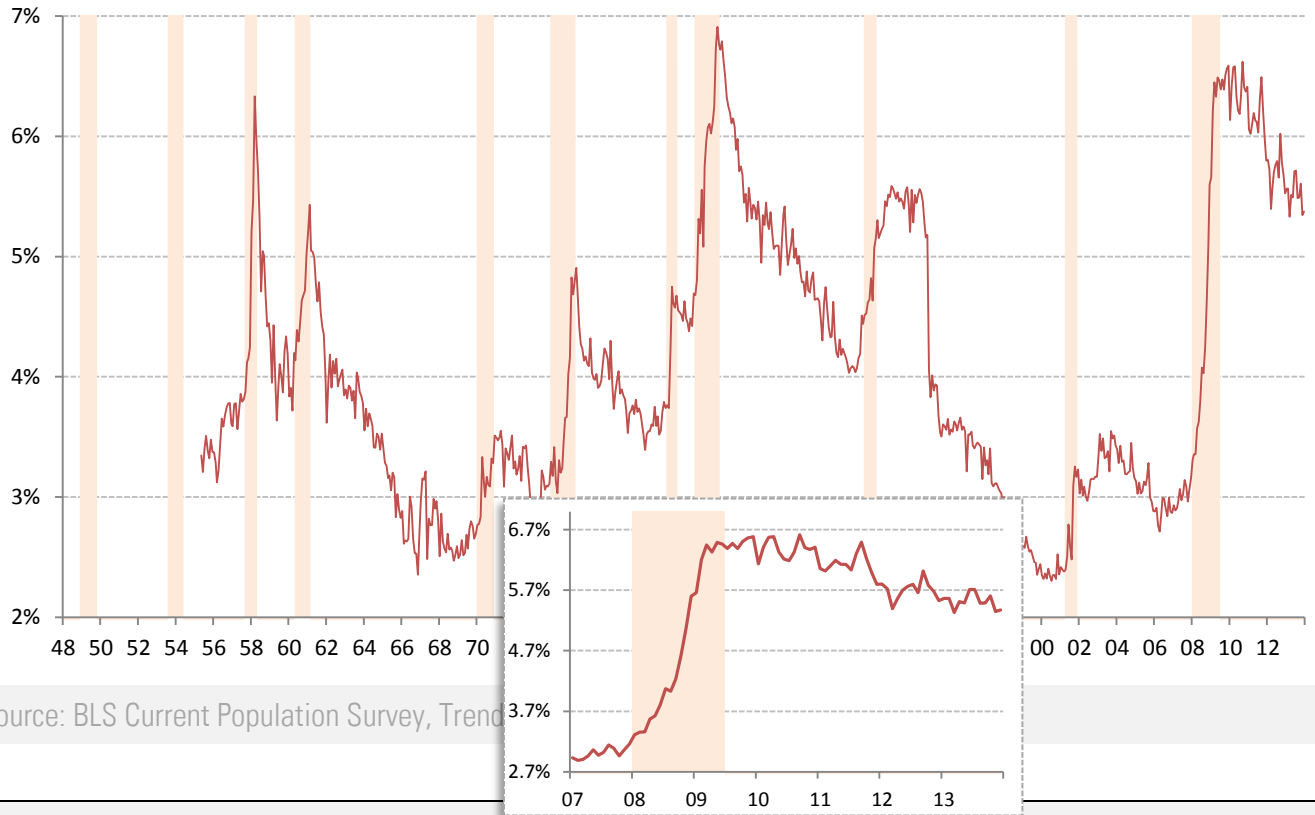
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

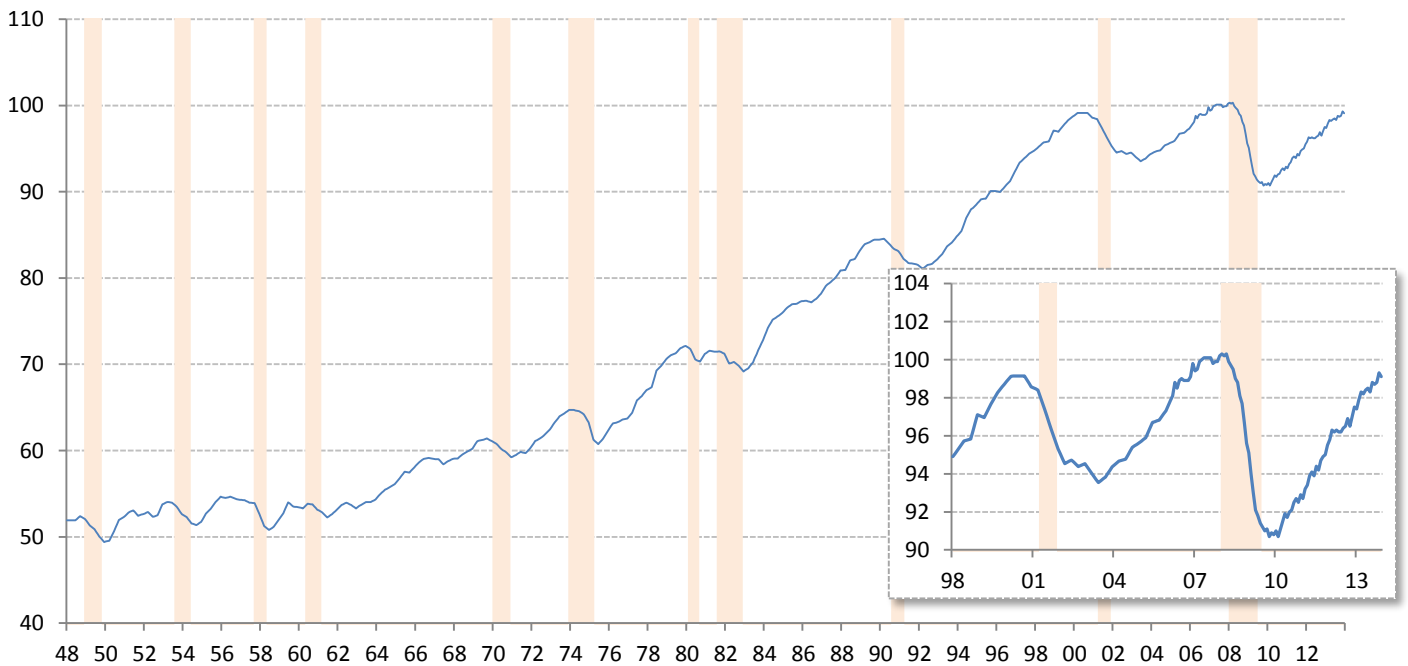
Persons available for full-time work ■ Recession



Source: BLS Current Population Survey, Trend

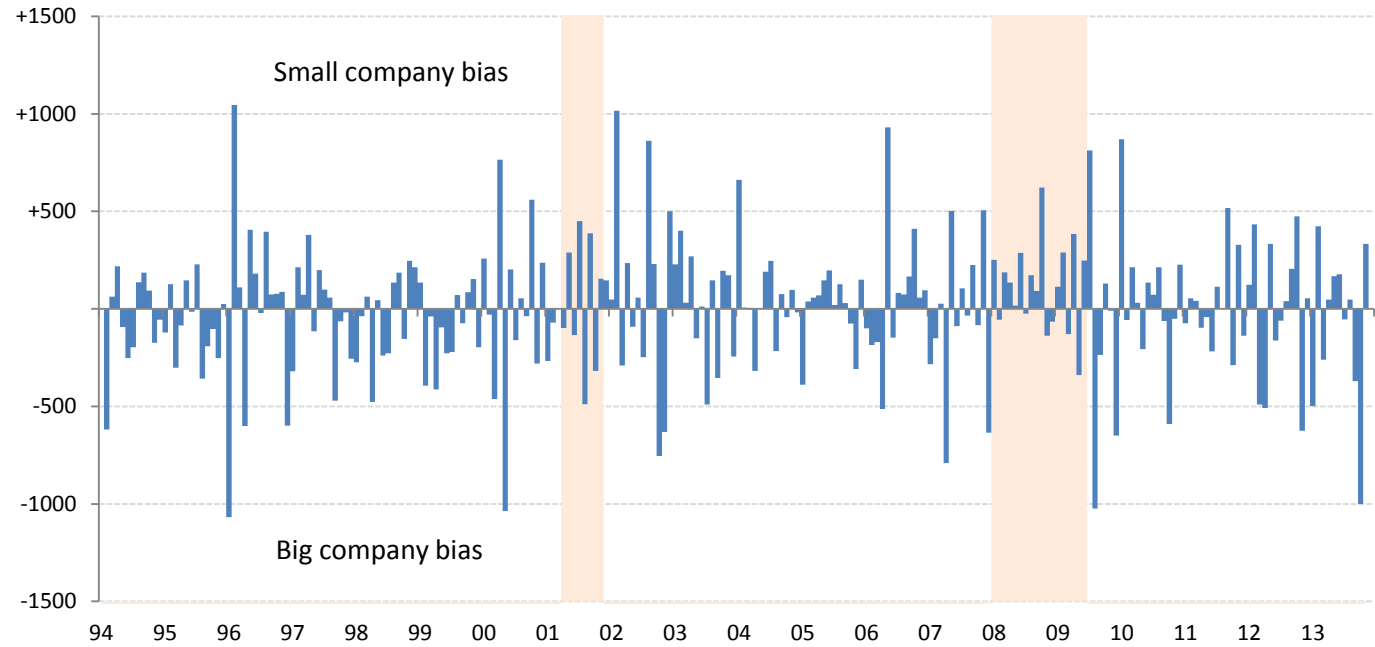
Aggregate weekly private hours-worked index

■ Recession



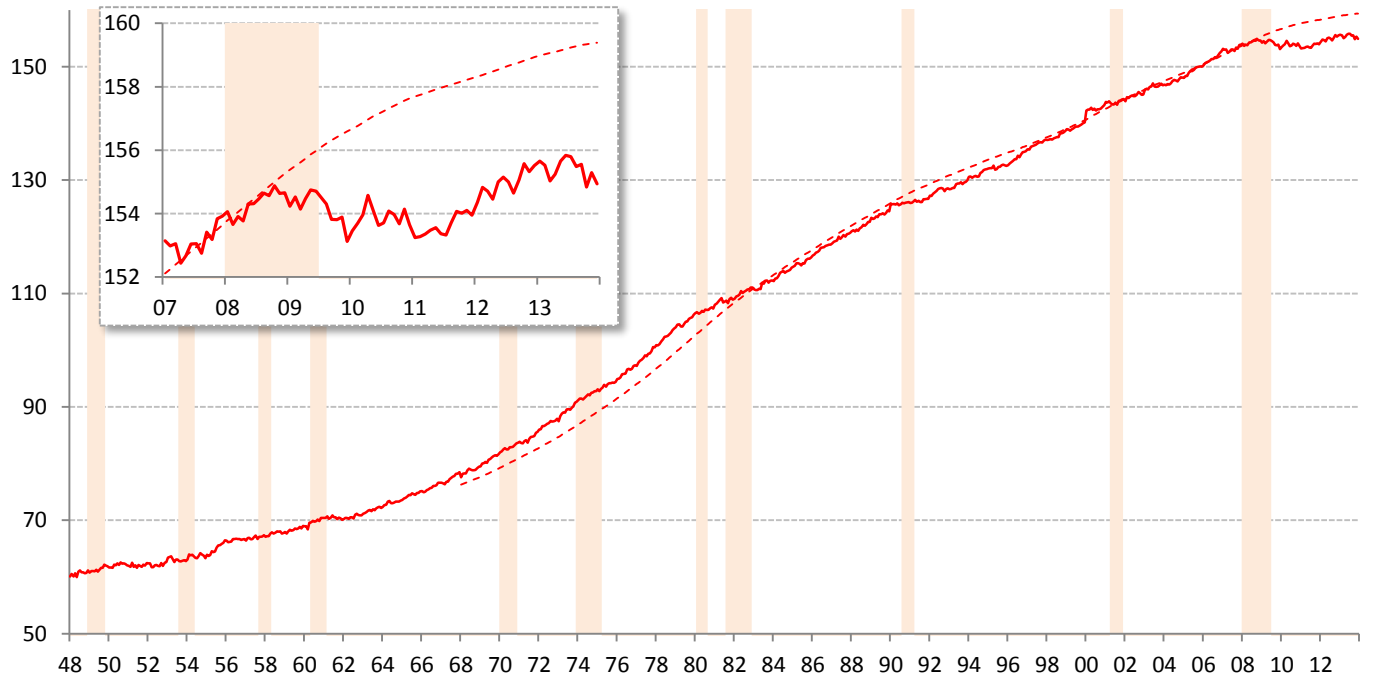
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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