
















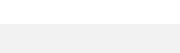


Data Insights: Jobs

Friday, October 3, 2014

Today's jobs data: what you need to know

Non-farm payrolls	Change Sep: +248	Revision Aug: +38	Revision Jul: +31	
Private payrolls	Change Sep: +236	Revision Aug: +41	Revision Jul: +26	
Employment	Change Sep: +232			
Unemployment	Change Sep: -329			
Long-term unemployment	Change Sep: -92			
Civilian labor force	Change Sep: -97	4.71 million below trend	More than all leavers unemployed	
Unemployment rate	Sep: 5.94%	Change Sep: -0.21%		
Underemployment rate	Sep: 11.8%	Change Sep: -0.2%		
Participation rate	Sep: 62.7%	Change Sep: -0.1%		
UE adjusted for participation	Sep: 12.2%	Change Sep: -0.05%		
Avg weeks unemployed	Sep: 31.5	Change Sep: -0.2		
% longterm unemployed	Sep: 31.9%	Change Sep: +0.7%		
Agg hours worked index	Sep: 101.7	Change Sep: +0.5%		
Agg weekly earnings	Sep: 119	Change Sep: +0.4%		
Monthly job-finding probability	Sep: 30.8%	Change Sep: +0.3%		
Monthly separation probability	Sep: 1.9%	Change Sep: -0.2%		
% involuntary part-time	Sep: 4.8%	Change Sep: -0.1%		
"Household" vs "Payroll" jobs	Change Sep: -225			

Source: Bureau of Labor Statistics, TrendMacro calculations

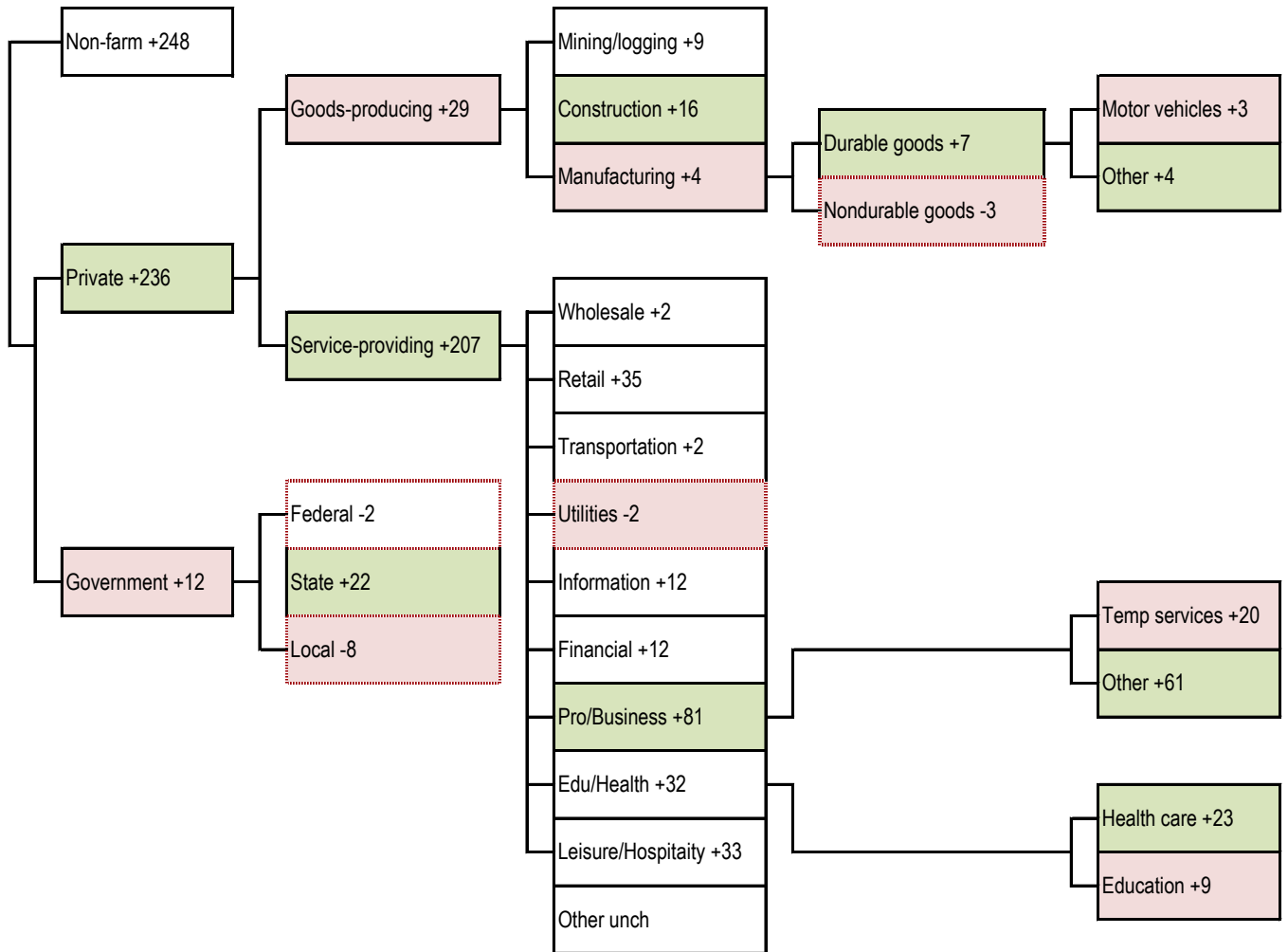
For more information contact us:

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

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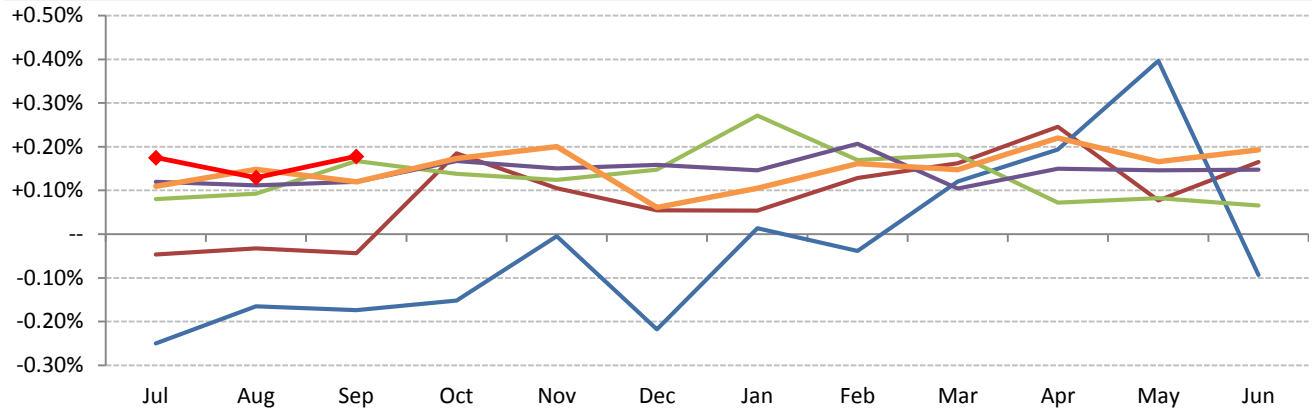
Today's payroll data: what you need to know -- where did the jobs come from?

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



The payroll cycle in the Not So Great Expansion following the Great Recession

Payroll growth MOM, starting July — 2009-10 — 2010-11 — 2011-12 — 2012-13 — 2013-14 — 2014-15

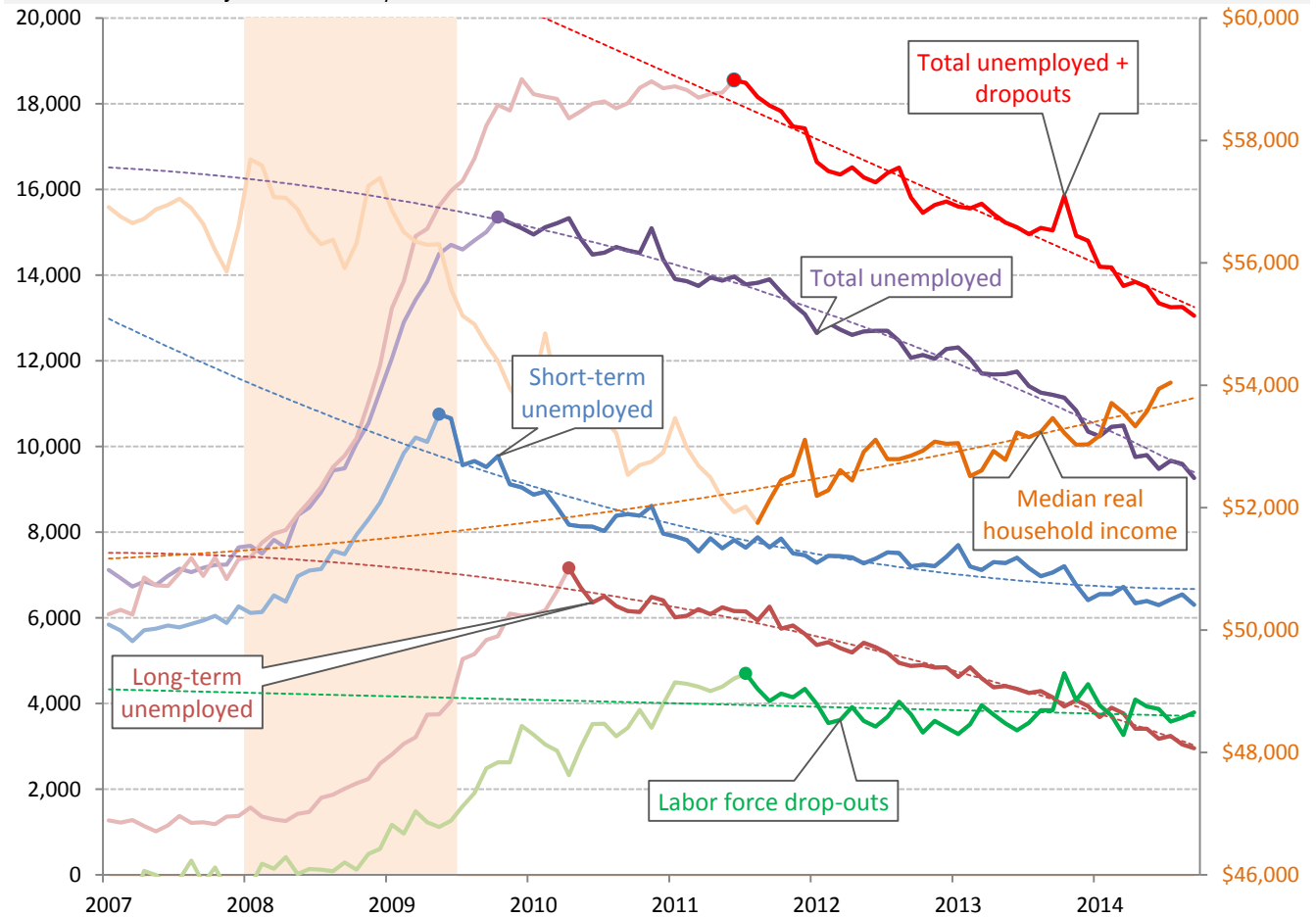


Source: BLS Current Population Survey, TrendMacro calculations

The ultimate jobless recovery is becoming jobful

Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks

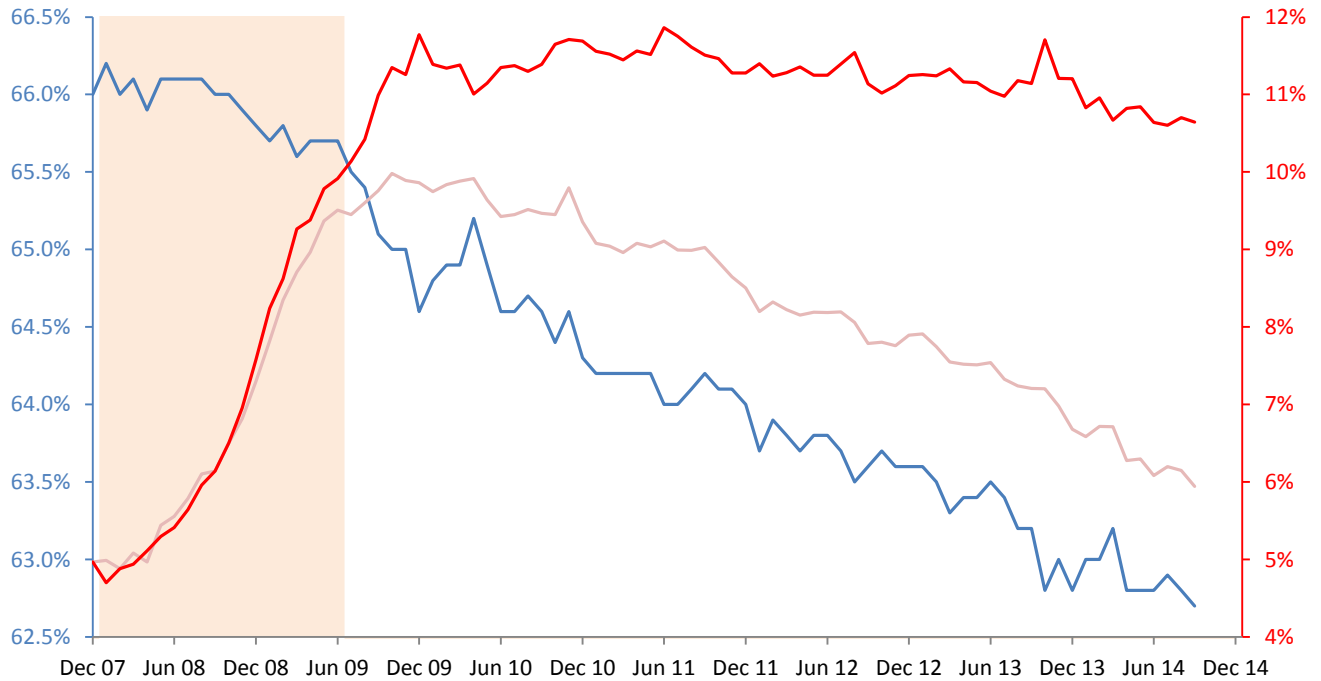
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

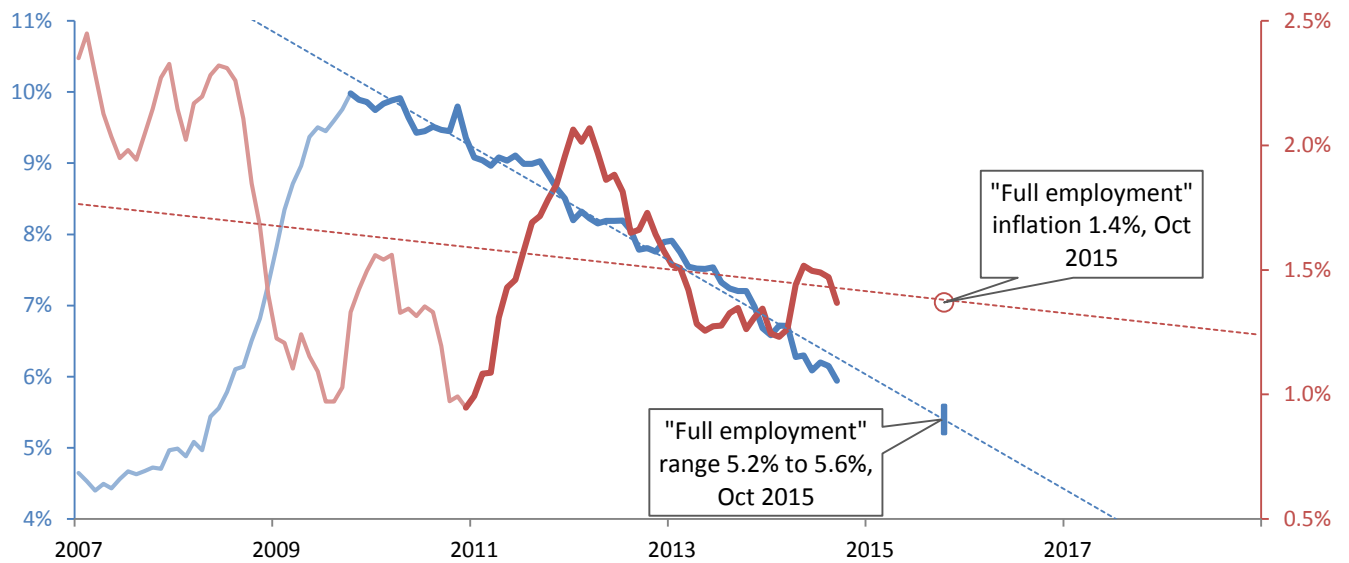
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

When will the labor market hit Yellen's new definition of "full employment"?

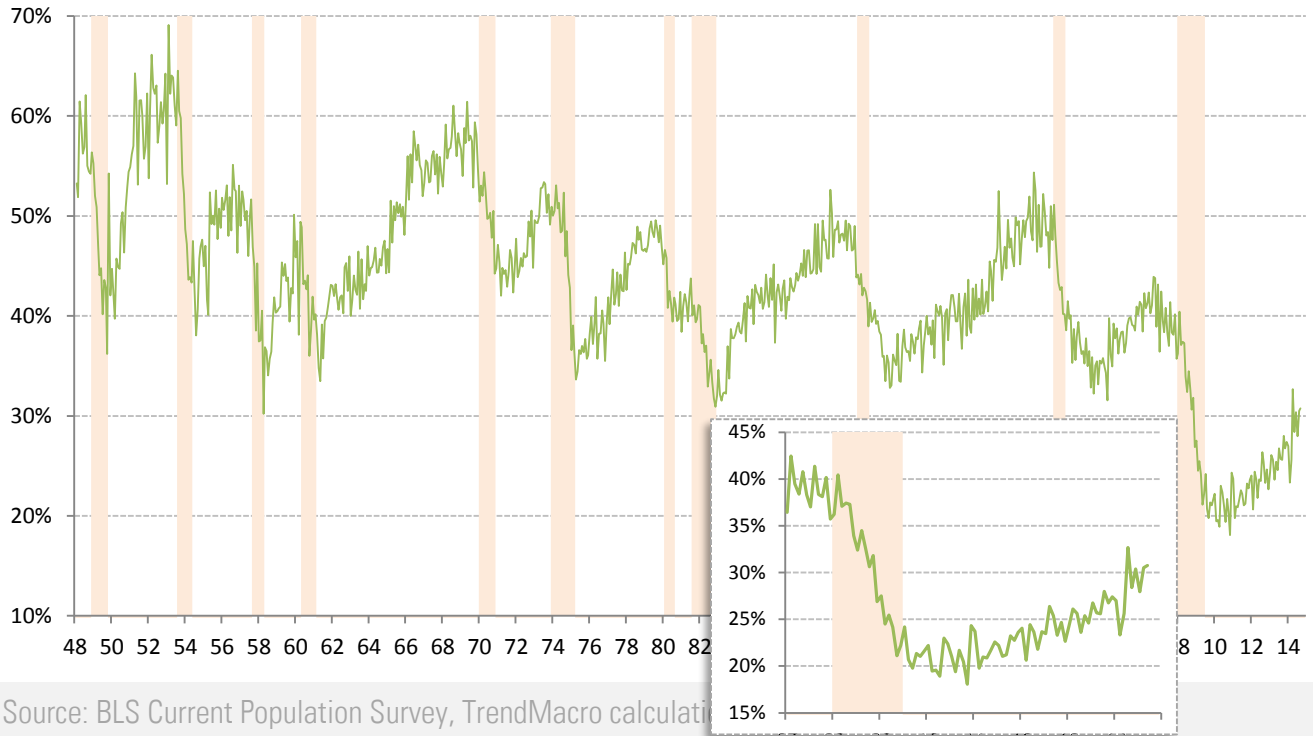
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

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

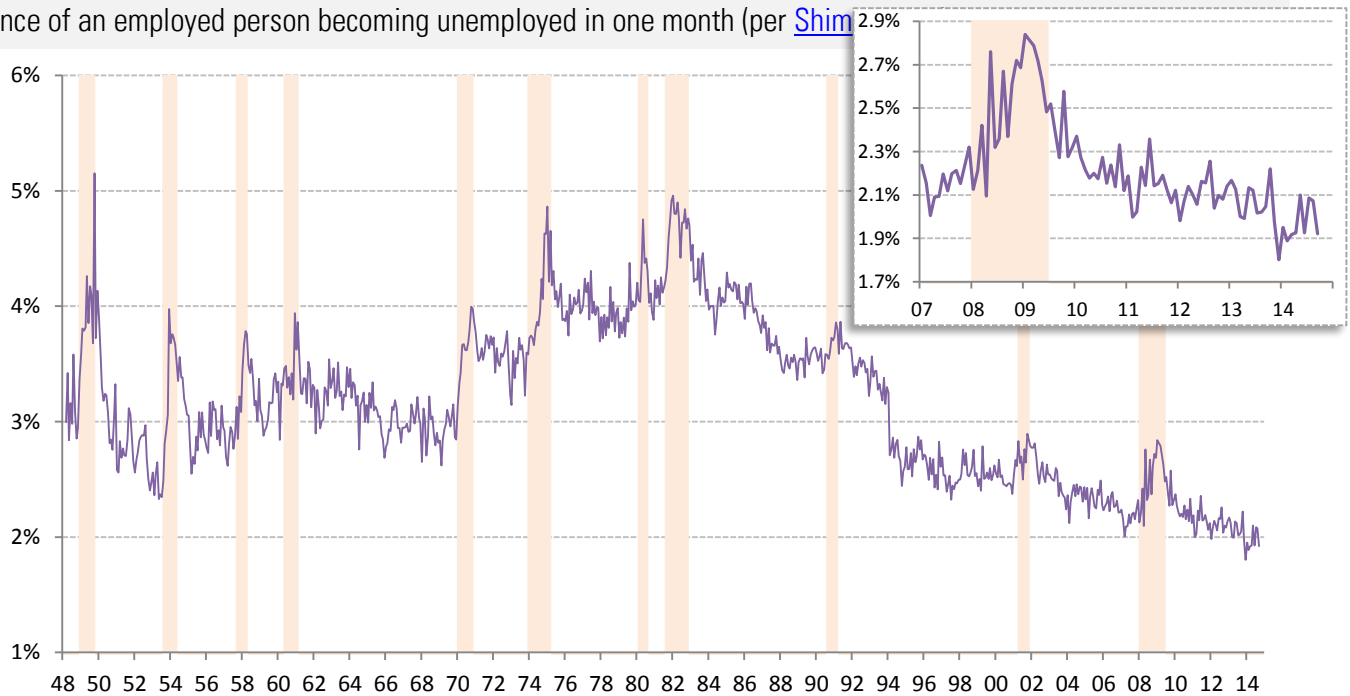
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



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](#)

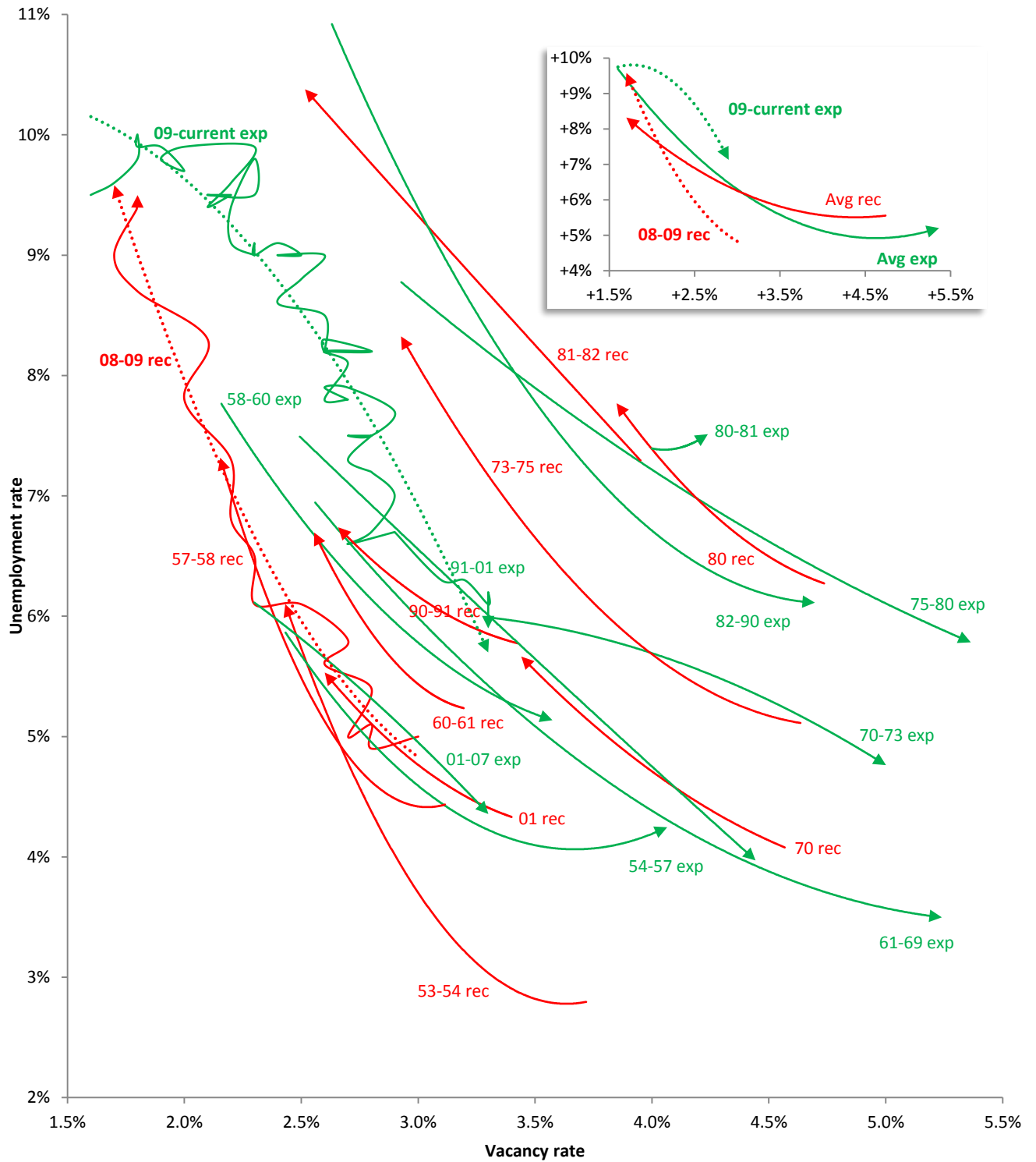


Source: BLS Current Population Survey, TrendMacro calculations

The Beveridge Curve

Cycle relationship between unemployment and job openings

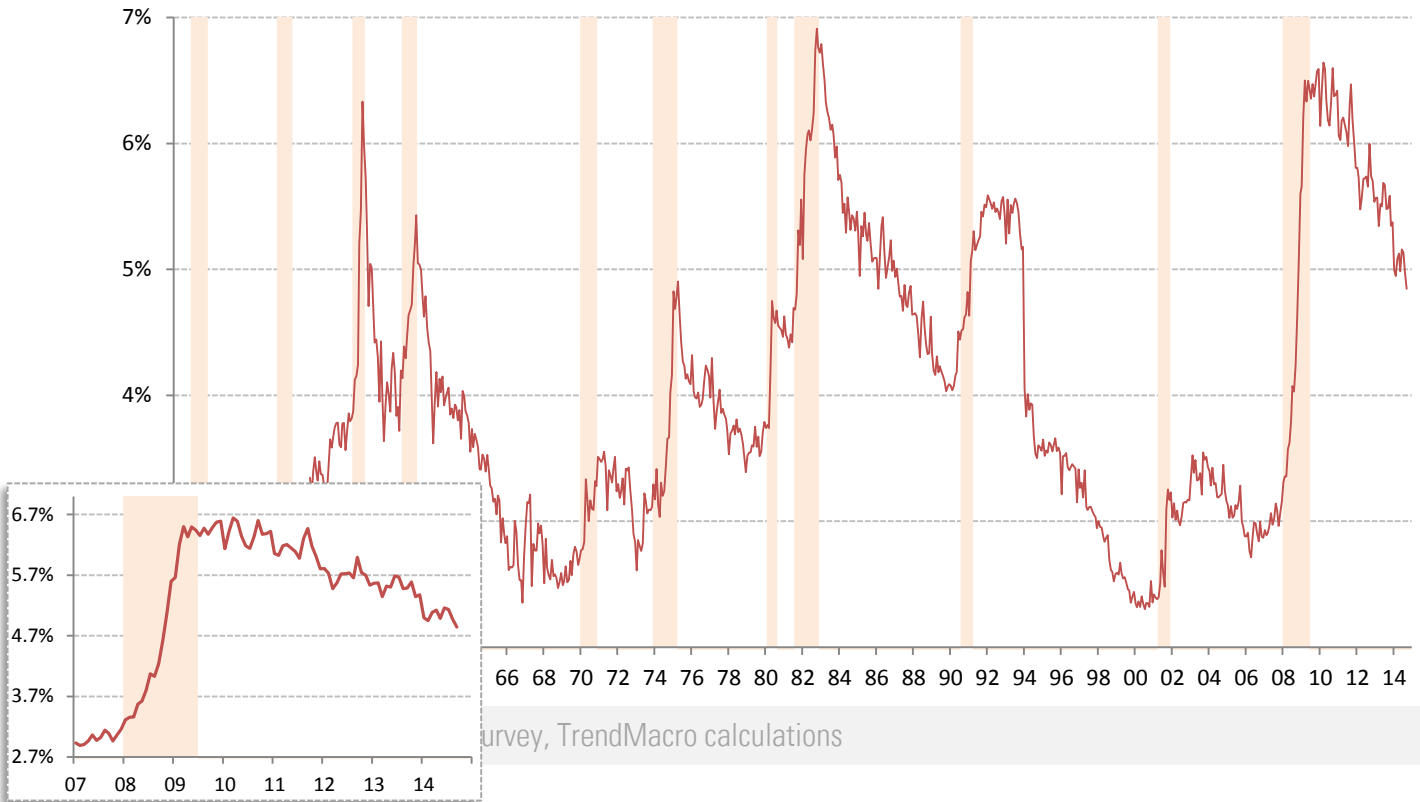
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

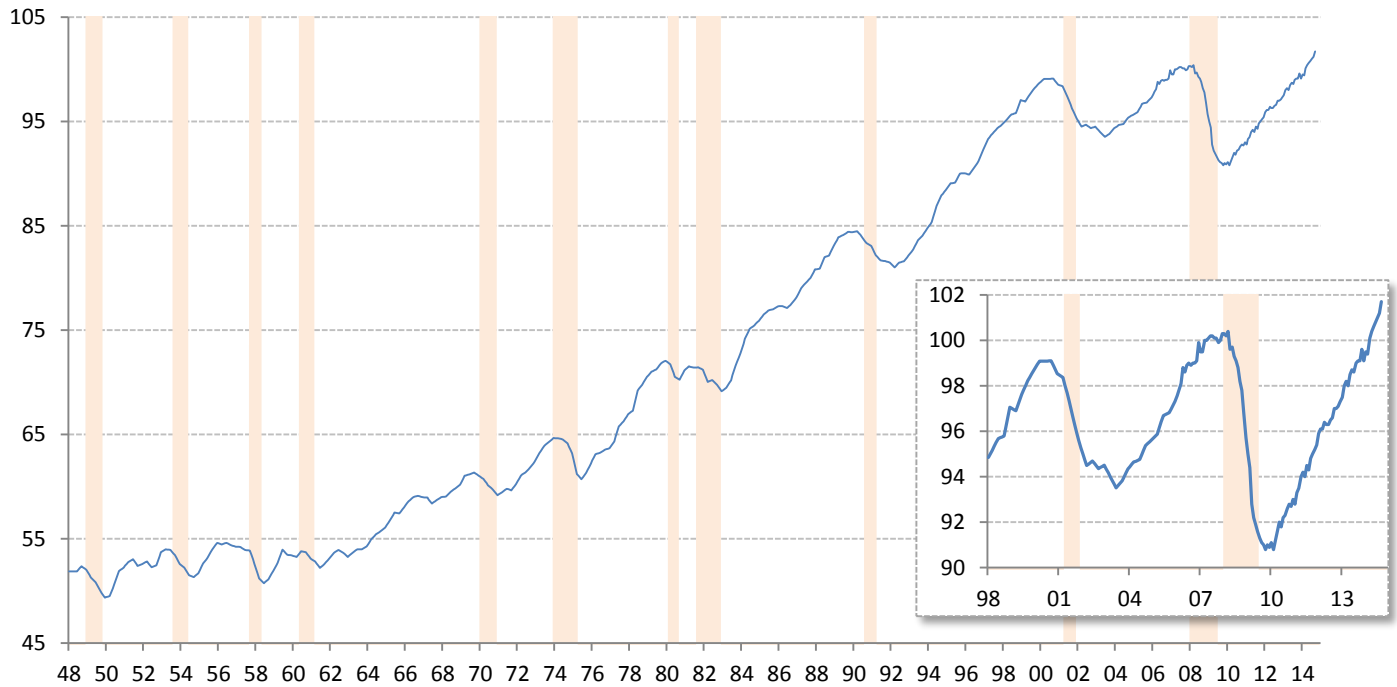
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



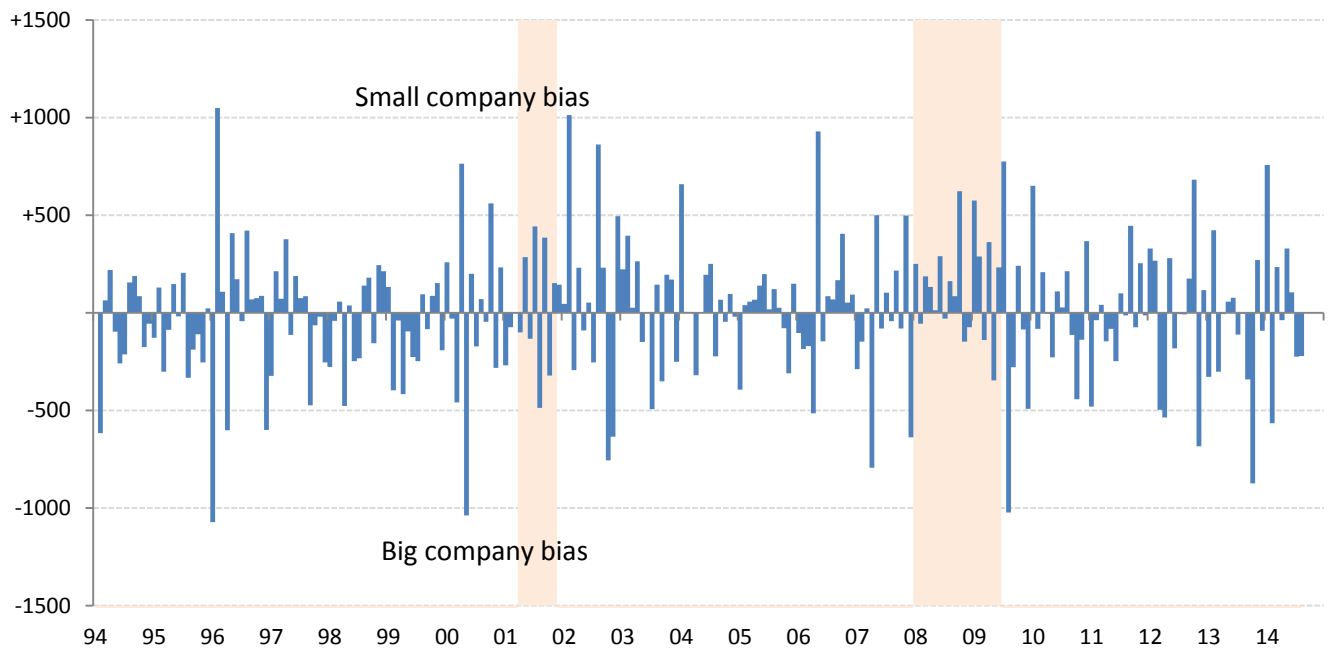
Survey, TrendMacro calculations

Aggregate weekly private hours-worked index ■ Recession



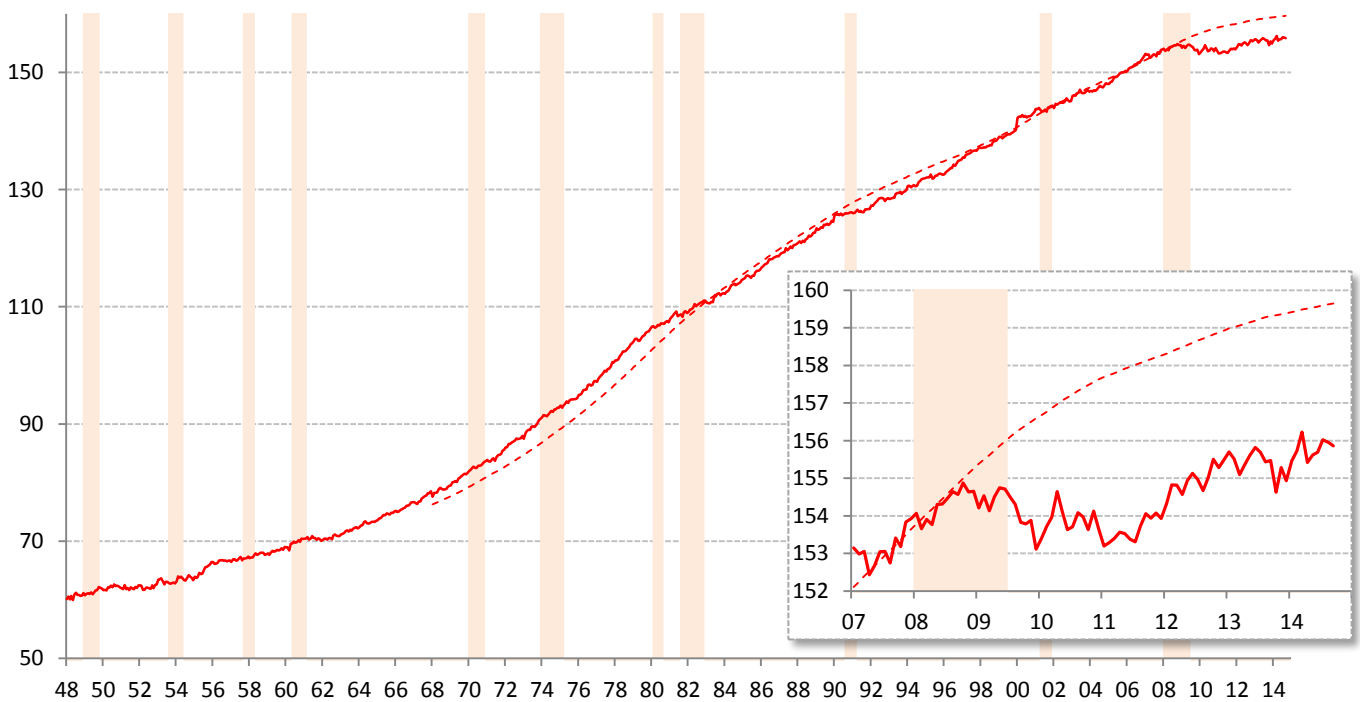
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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, millions ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations