







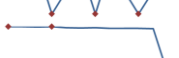









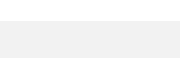


Data Insights: Jobs

Friday, June 5, 2015

Today's jobs data: what you need to know

Non-farm payrolls	Change May: +280	Revision Apr: -2	Revision Mar: +34	
Private payrolls	Change May: +262	Revision Apr: -7	Revision Mar: +23	
Employment	Change May: +272			
Unemployment	Change May: +125			
Long-term unemployment	Change Apr: -148			
Civilian labor force	Change May: +397	4.72 million below trend	31.5% of entrants unemployed	
Unemployment rate	May: 5.51%	Change May: +0.07%		
Underemployment rate	May: 10.8%	Change May: unch		
Participation rate	May: 62.9%	Change May: +0.1%		
UE adjusted for participation	May: 0.0%	Change May: -11.63%		
Average weeks unemployed	May: 30.7	Change May: -0.1		
% longterm unemployed	May: 28.6%	Change May: -0.4%		
Aggregate hours worked index	May: 103.3	Change May: +0.3%	Revision Apr: unch	
Average hourly earnings	May: +0.3%	Change May: +0.2%	Revision Apr: unch	
Aggregate weekly earnings	May: 123	Change May: +0.5%	Revision Apr: +0.1	
Monthly job-finding probability	May: 29.7%	Change May: -5.7%		
Monthly separation probability	May: 2.0%	Change May: -0.2%		
% involuntary part-time	May: 4.5%	Change May: +0.0%		
"Household" vs "Payroll" jobs	Change May: -278			

Source: Bureau of Labor Statistics, TrendMacro calculations

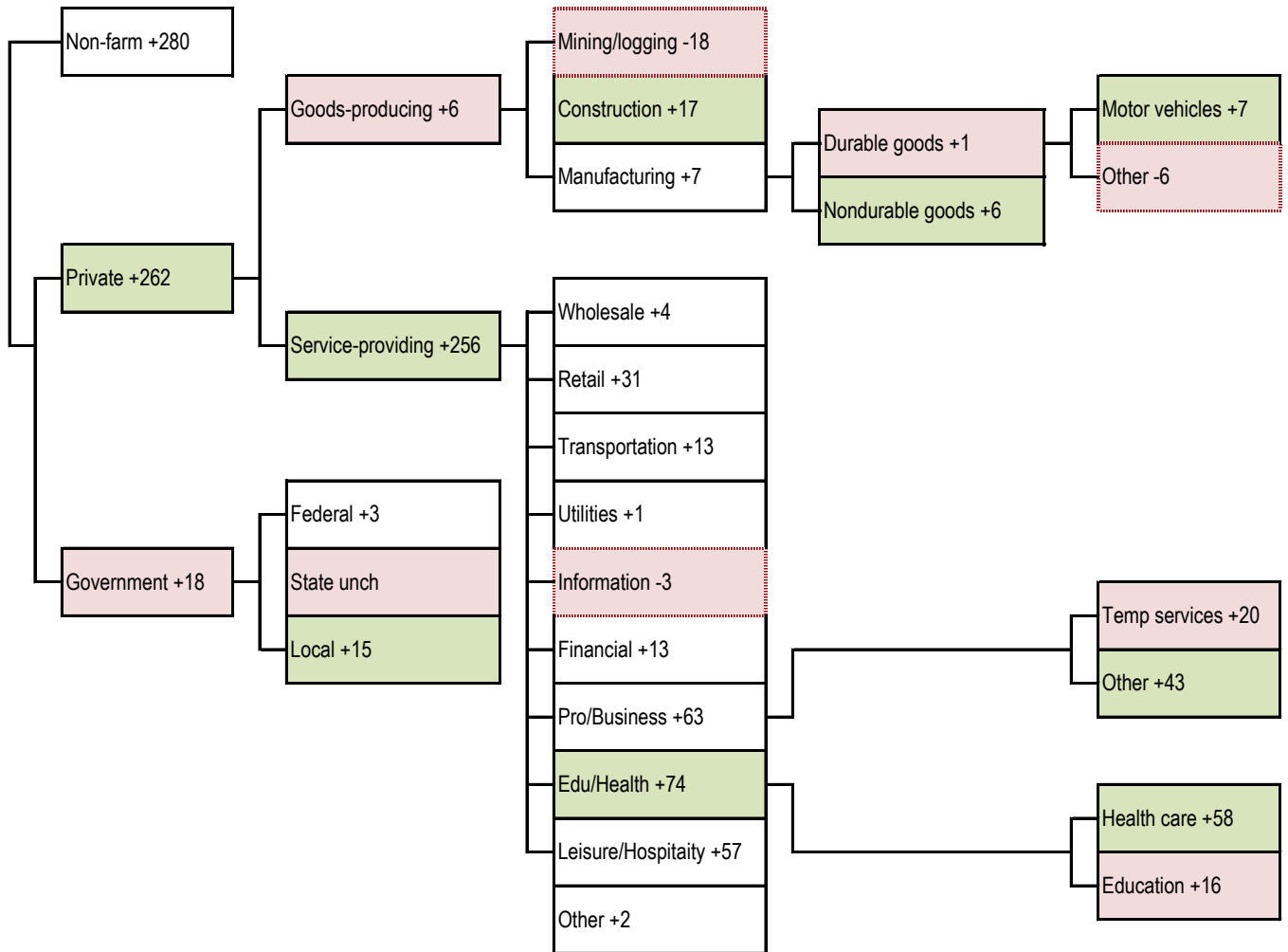
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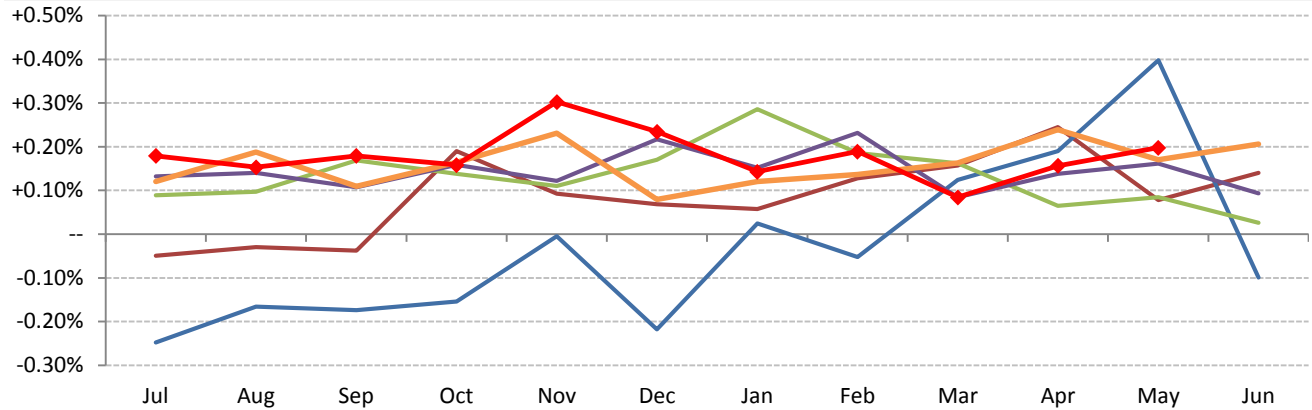
Today's payroll data: what you need to know -- where did the jobs come from?

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



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

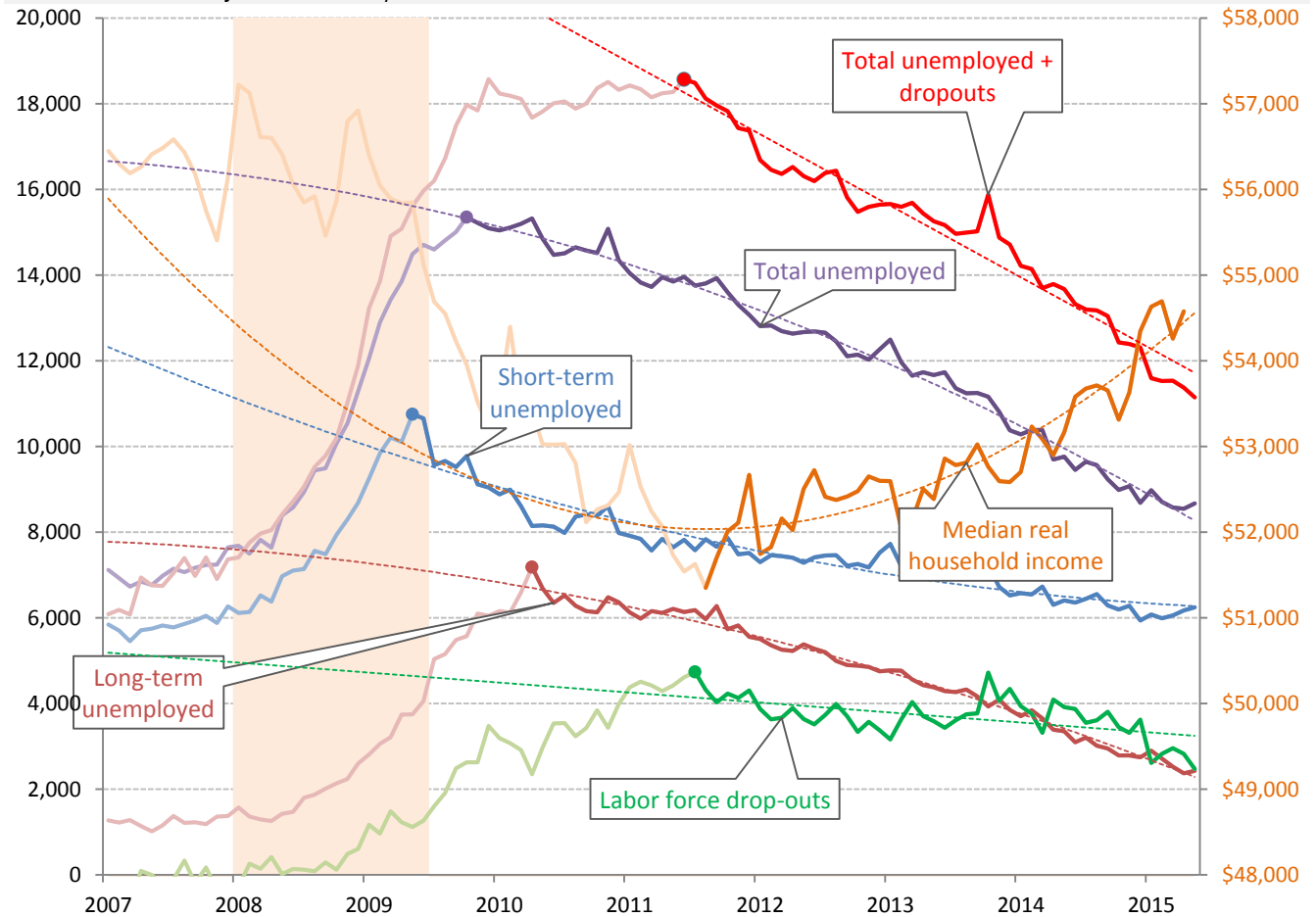


Source: BLS Current Population Survey, TrendMacro calculations

The ultimate jobless recovery is becoming jobful

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

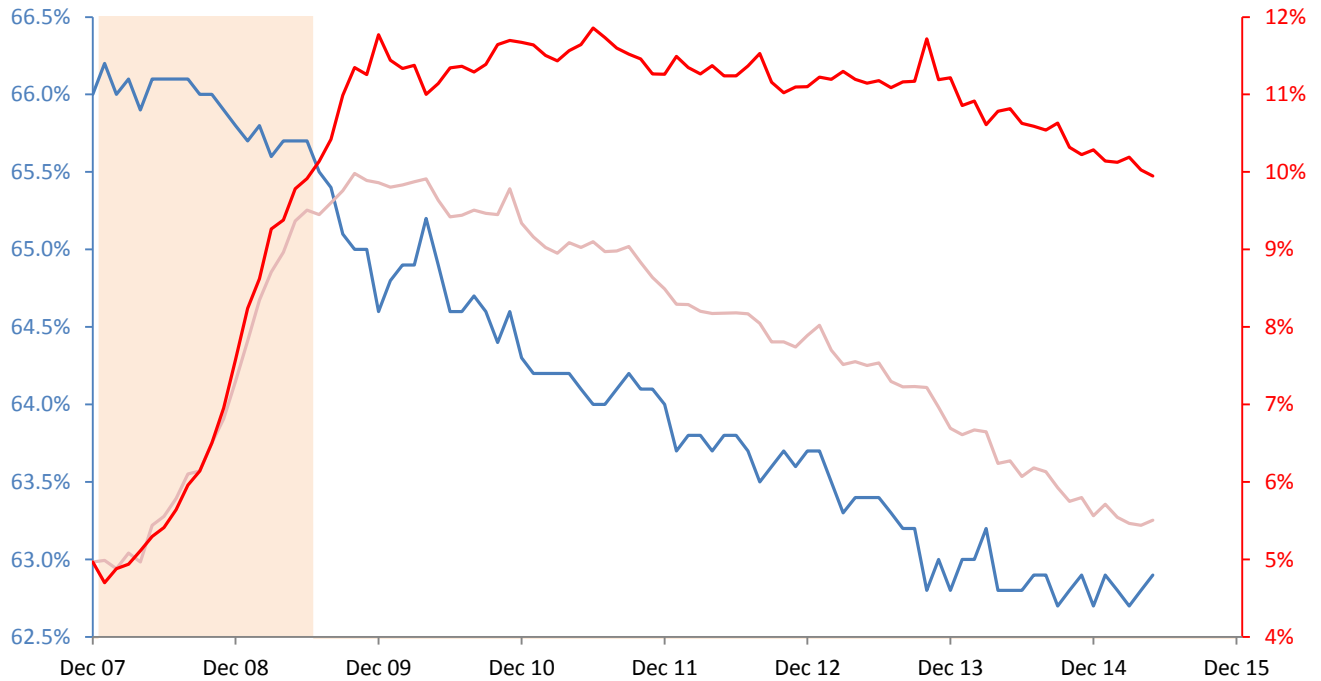
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

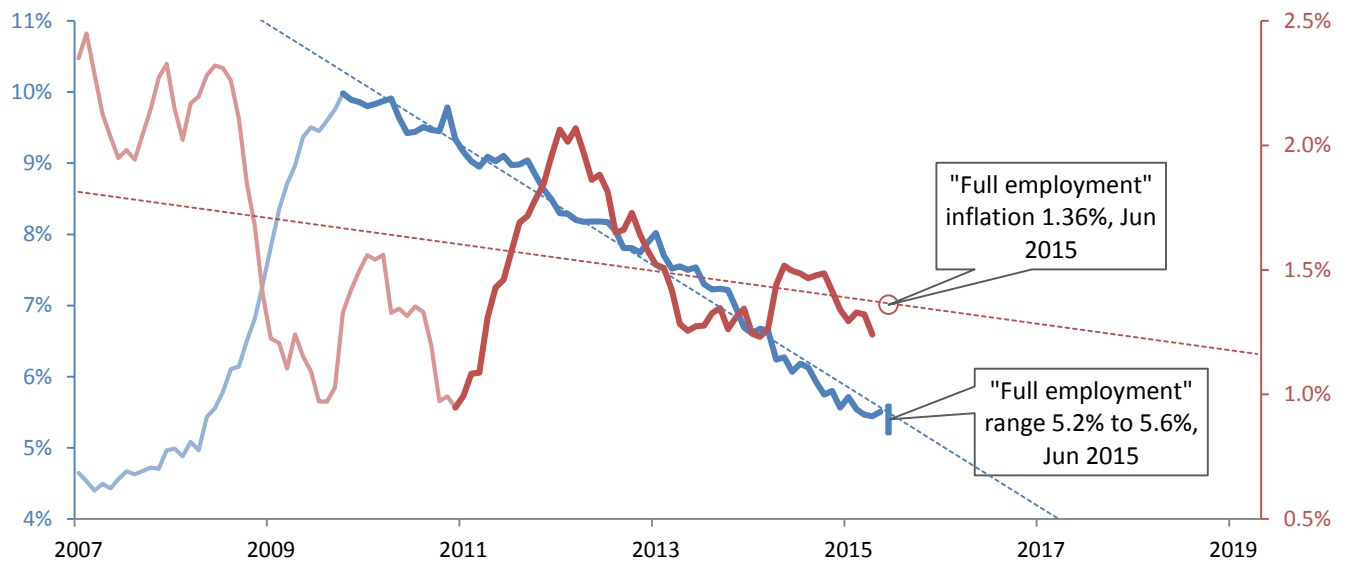
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

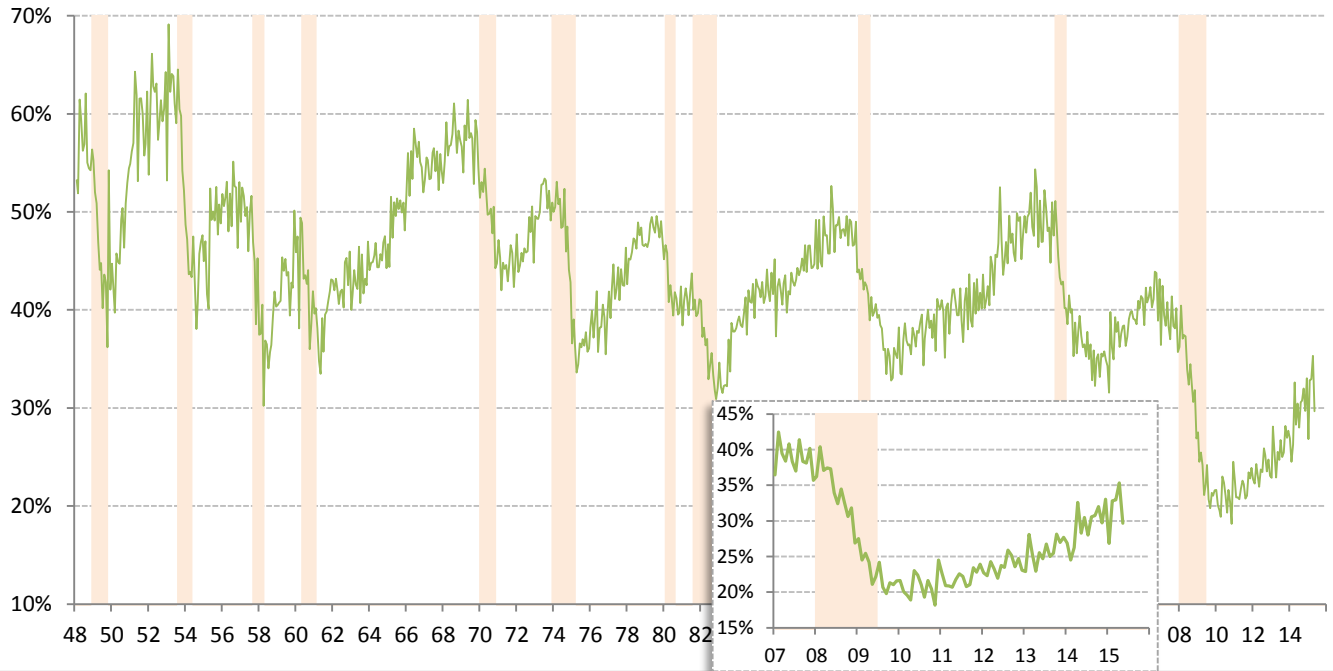
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

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

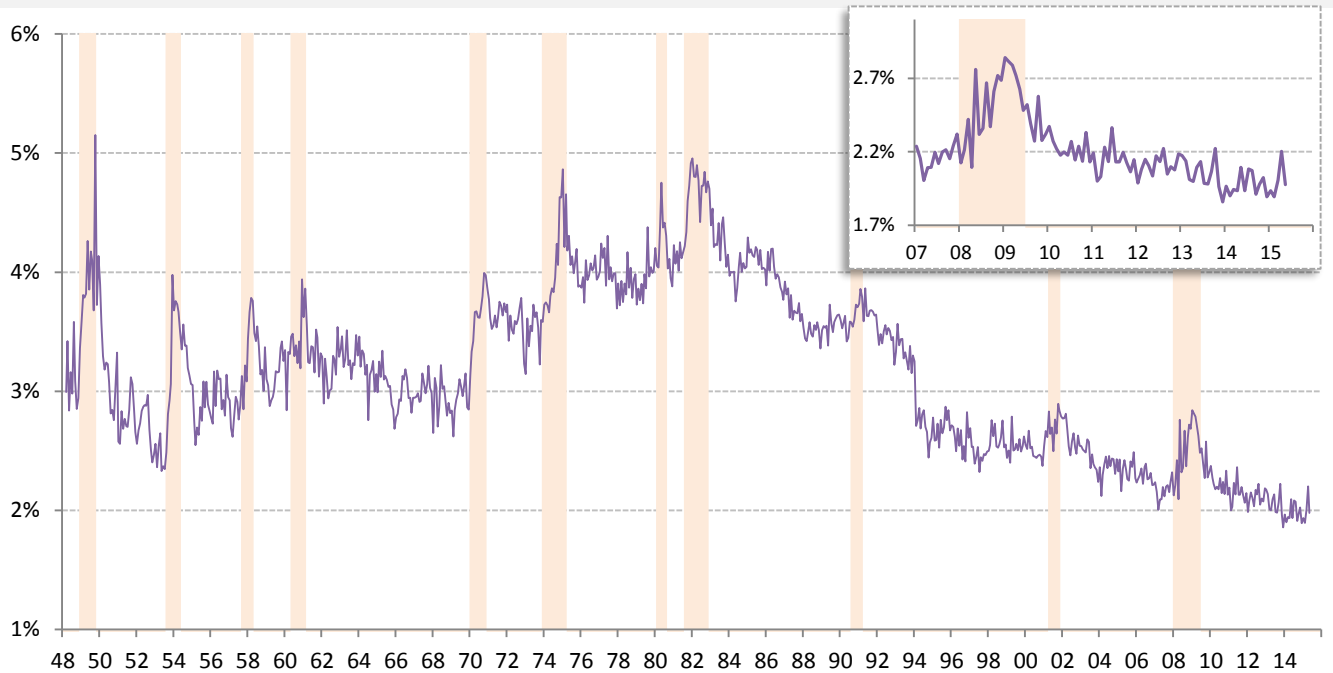
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



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 [Shimer 2005](#)) Recession

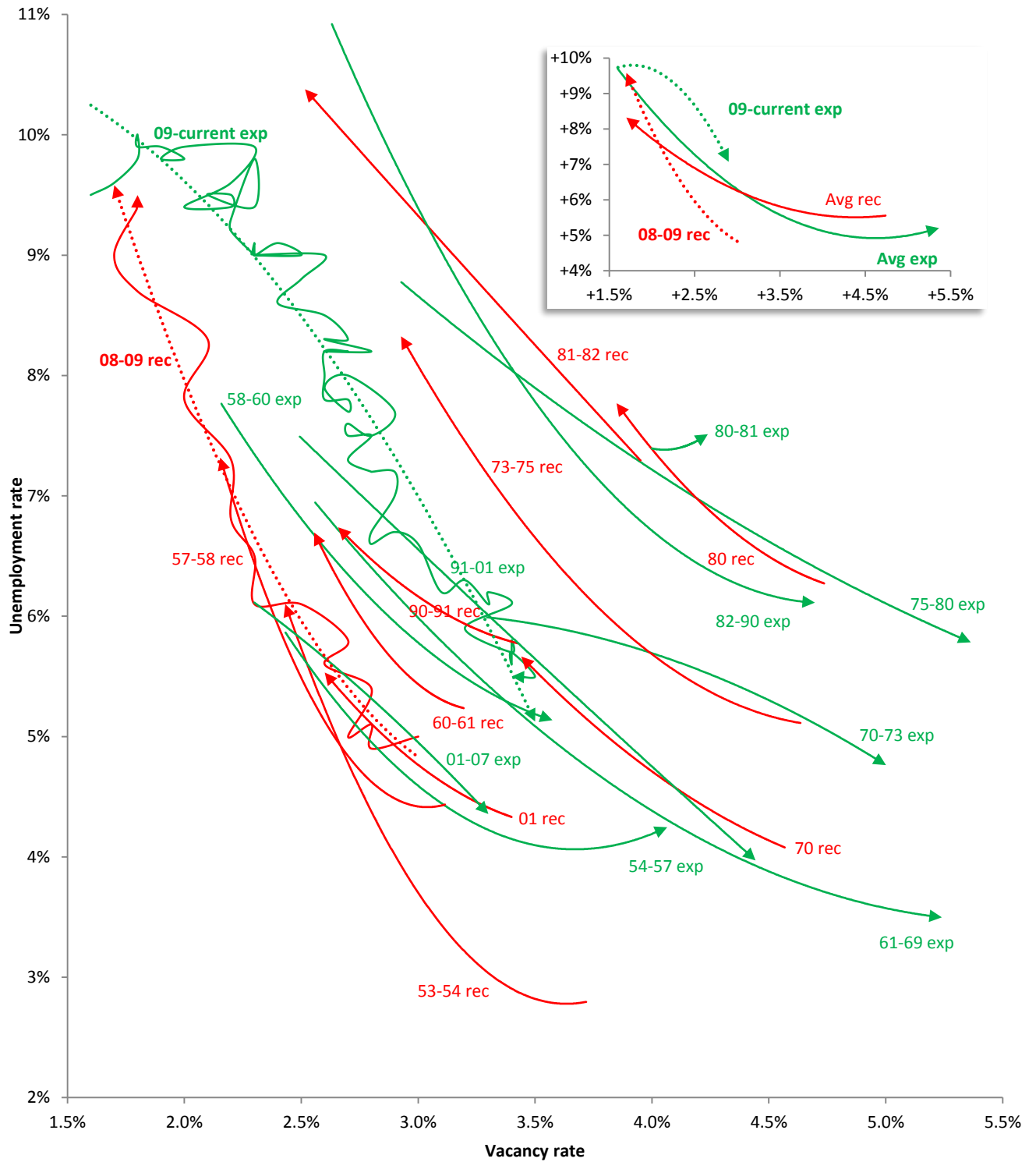


Source: BLS Current Population Survey, TrendMacro calculations

The Beveridge Curve

Cycle relationship between unemployment and job openings

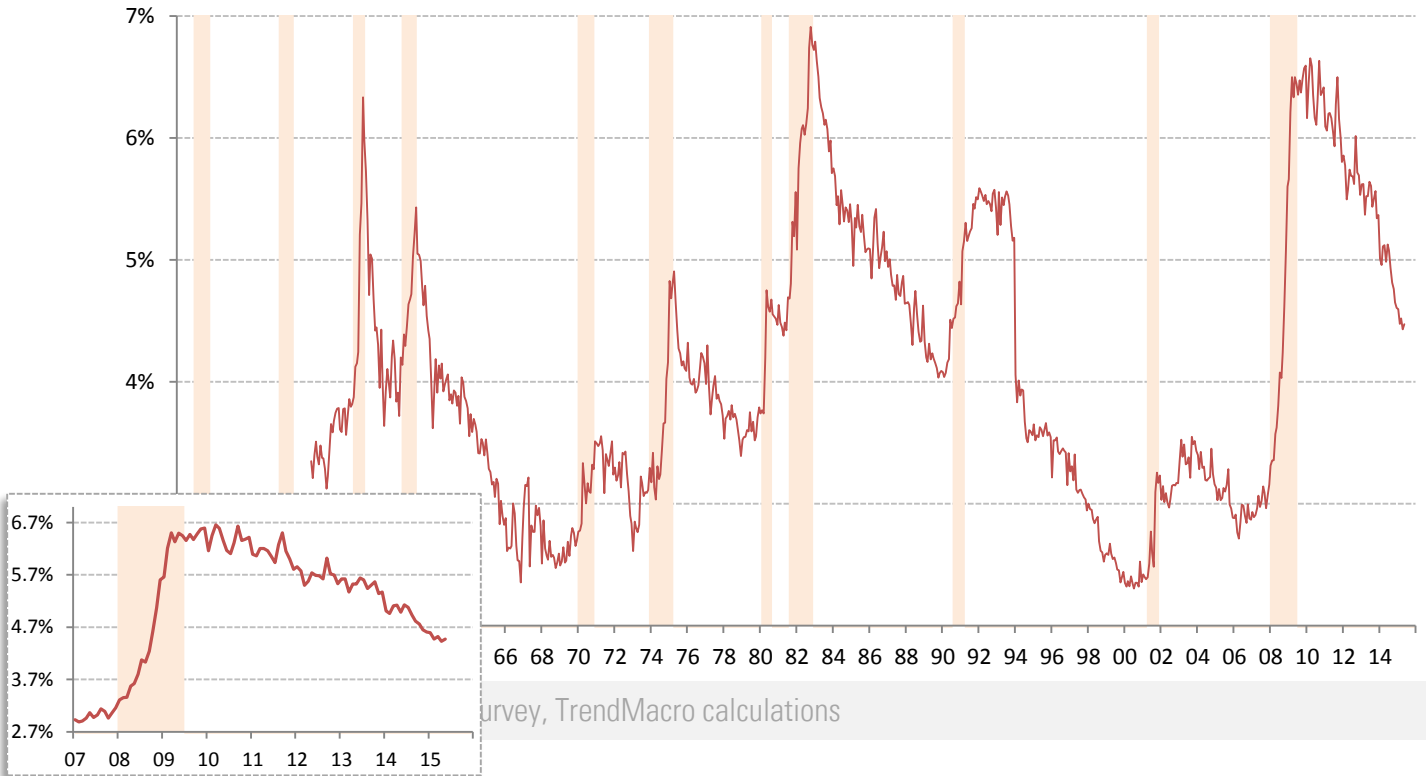
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

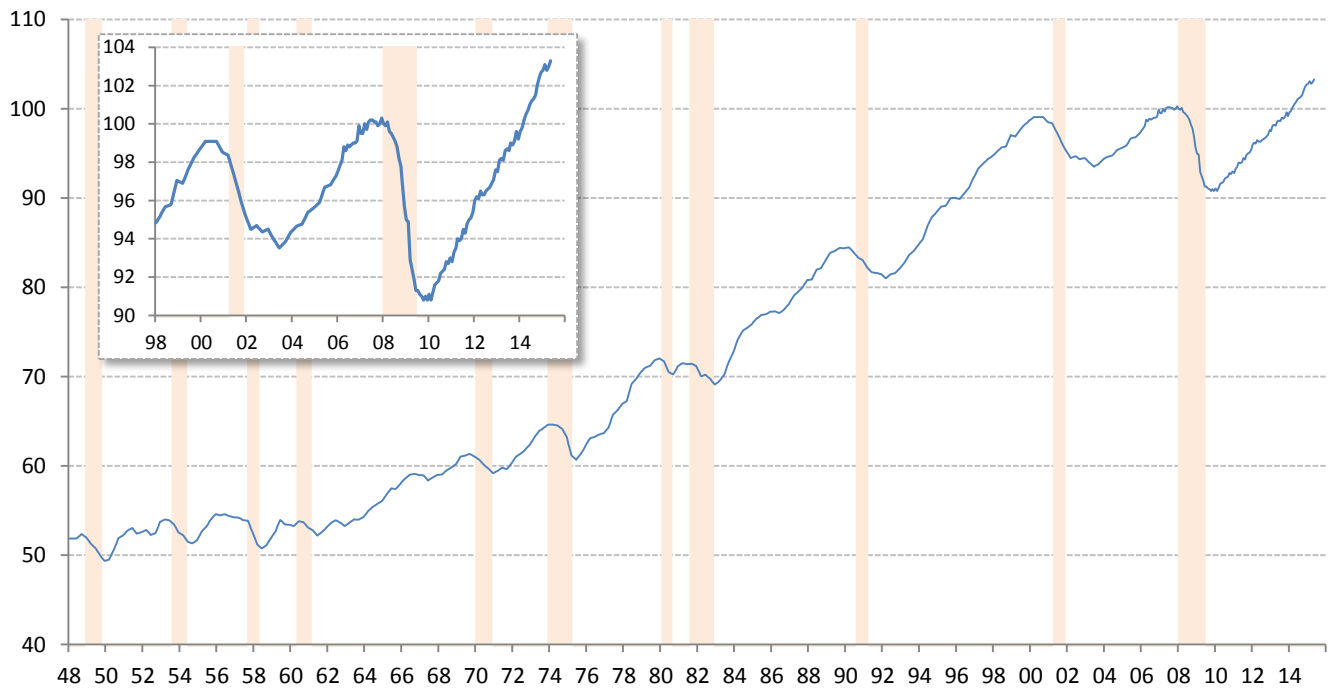
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



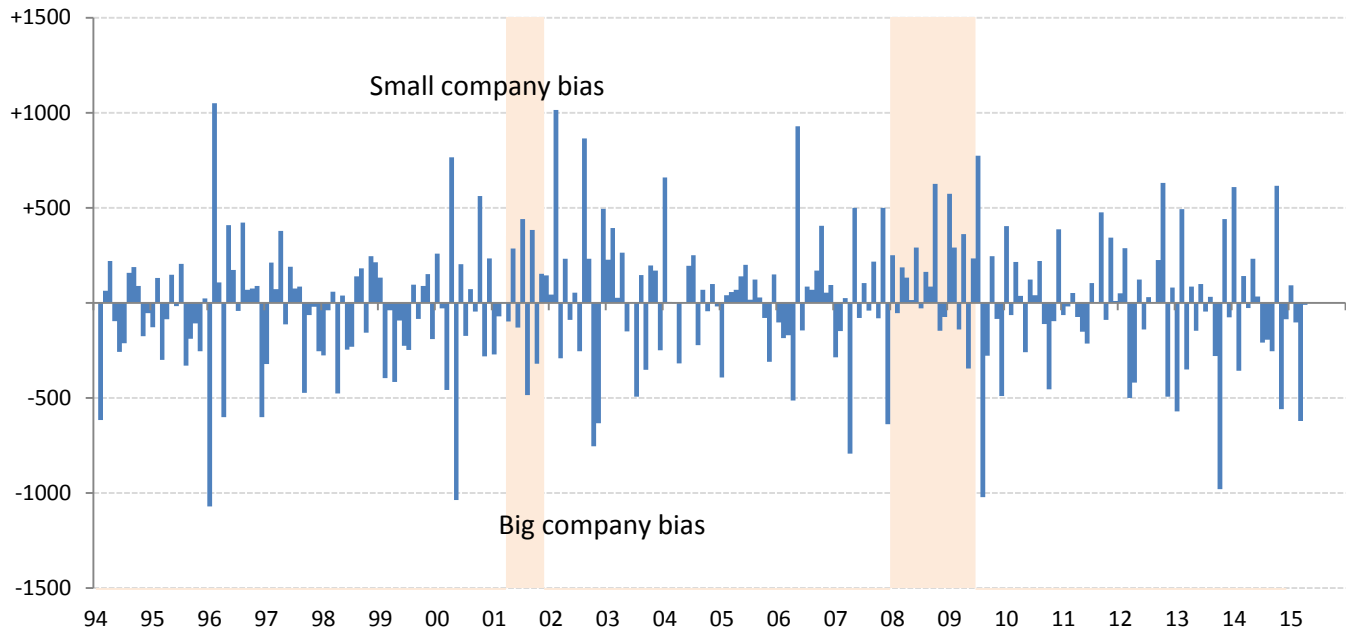
Aggregate weekly private hours-worked index

■ Recession



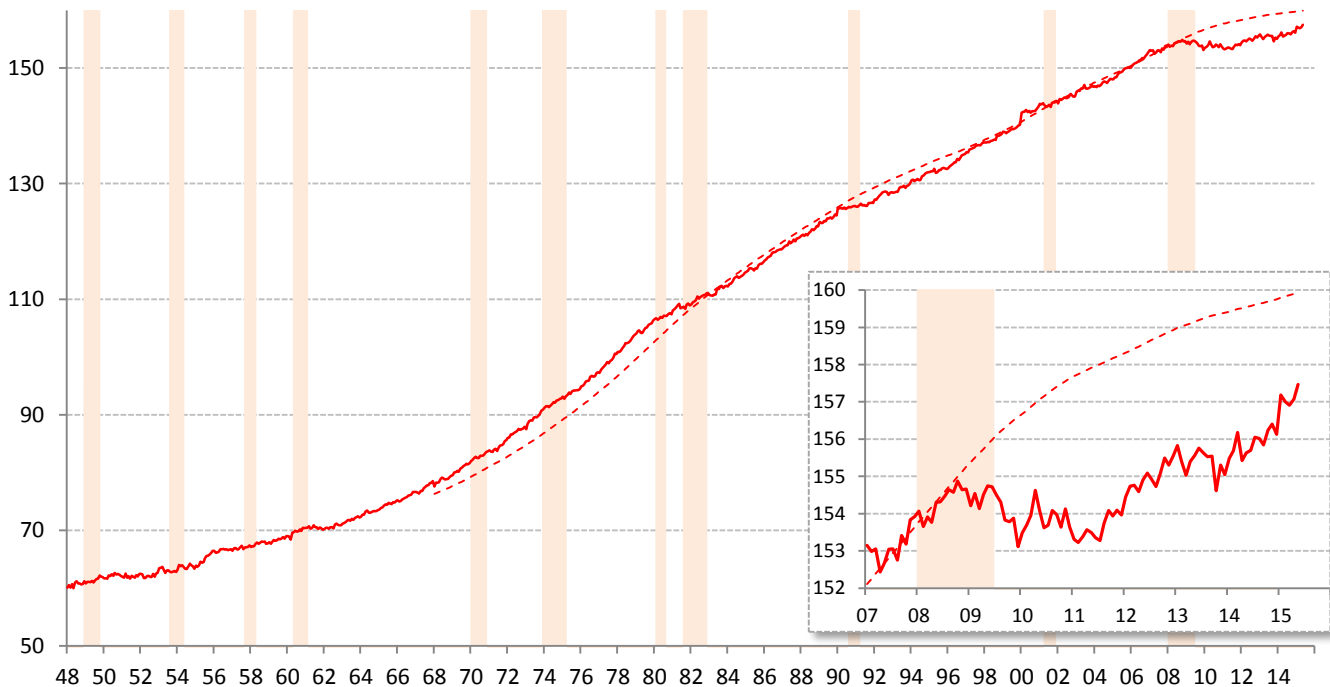
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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