




















Data Insights: Jobs

Friday, July 6, 2018

Today's jobs data: what you need to know

Non-farm payrolls	Change Jun: +213	Revision May: +21	Revision Apr: +16	
Private payrolls	Change Jun: +202	Revision May: +21	Revision Apr: +12	
Employment	Change Jun: +102			
Unemployment	Change Jun: +499			
Long-term unemployment	Change Jun: +510			
Civilian labor force	Change Jun: +601	0.43 million above trend	83.0% of entrants unemployed	
Unemployment rate	Jun: 4.05%	Change Jun: +0.29%		
Underemployment rate	Jun: 7.8%	Change Jun: +0.2%		
Participation rate	Jun: 62.9%	Change Jun: +0.2%		
UE adjusted for participation	Jun: 8.6%	Change Jun: -0.01%		
Average weeks unemployed	Jun: 21.2	Change Jun: -0.1		
% longterm unemployed	Jun: 23.0%	Change Jun: +3.6%		
Aggregate hours worked index	Jun: 109.6	Change Jun: +0.2%	Revision May: unch	
Average hourly earnings	Jun: 0.2%	Change Jun: -0.0%	Revision May: -0	
Aggregate weekly earnings	Jun: 141.4	Change Jun: +0.4%	Revision May: unch	
Monthly job-finding probability	Jun: 28.5%	Change Jun: -8.0%		
Monthly separation probability	Jun: 1.8%	Change Jun: +0.2%		
% involuntary part-time	Jun: 3.0%	Change Jun: -0.1%		
"Household" vs "Payroll" jobs	Change Jun: +383			

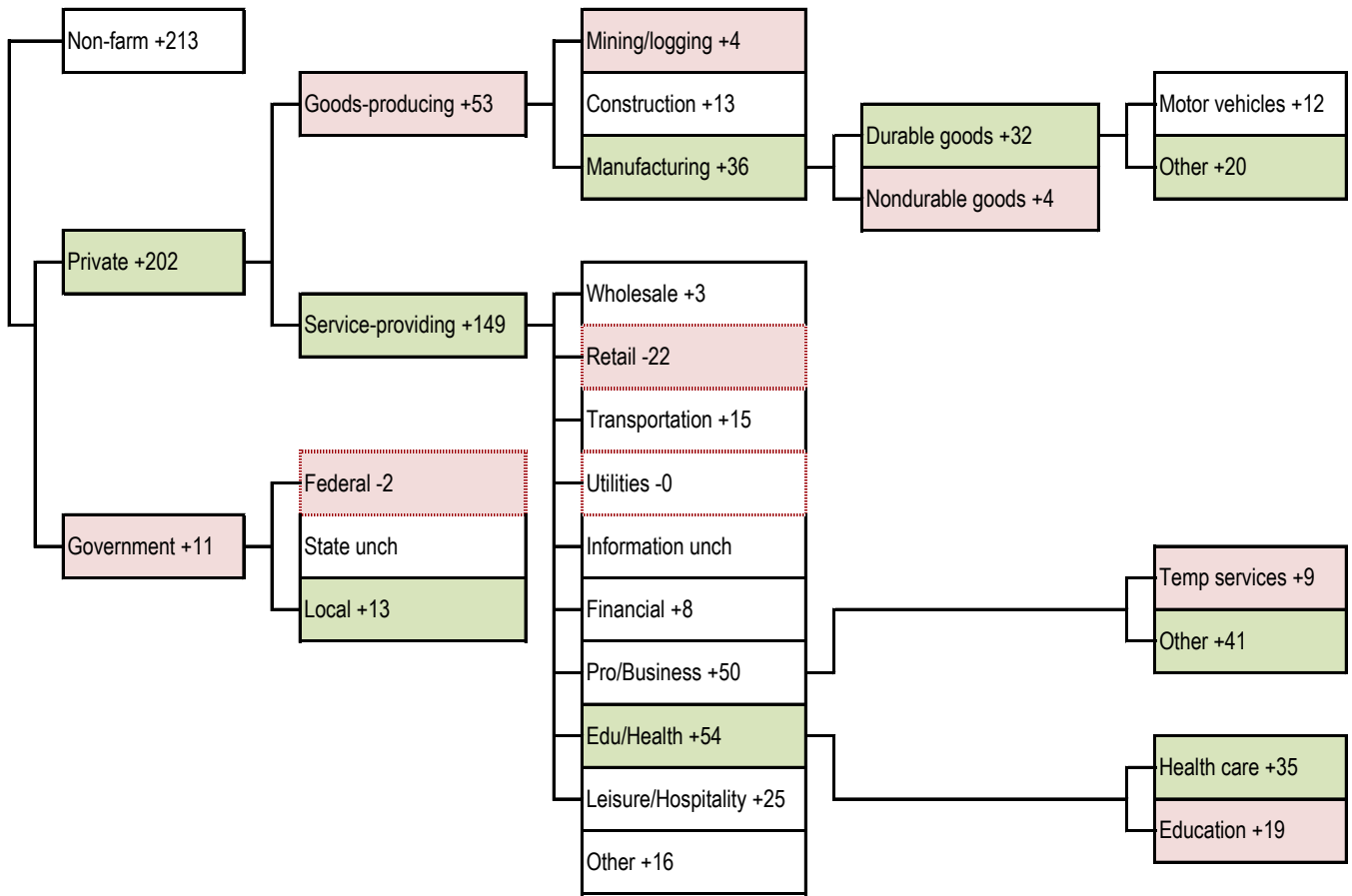
Source: Bureau of Labor Statistics, TrendMacro calculations

For more information contact us:

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

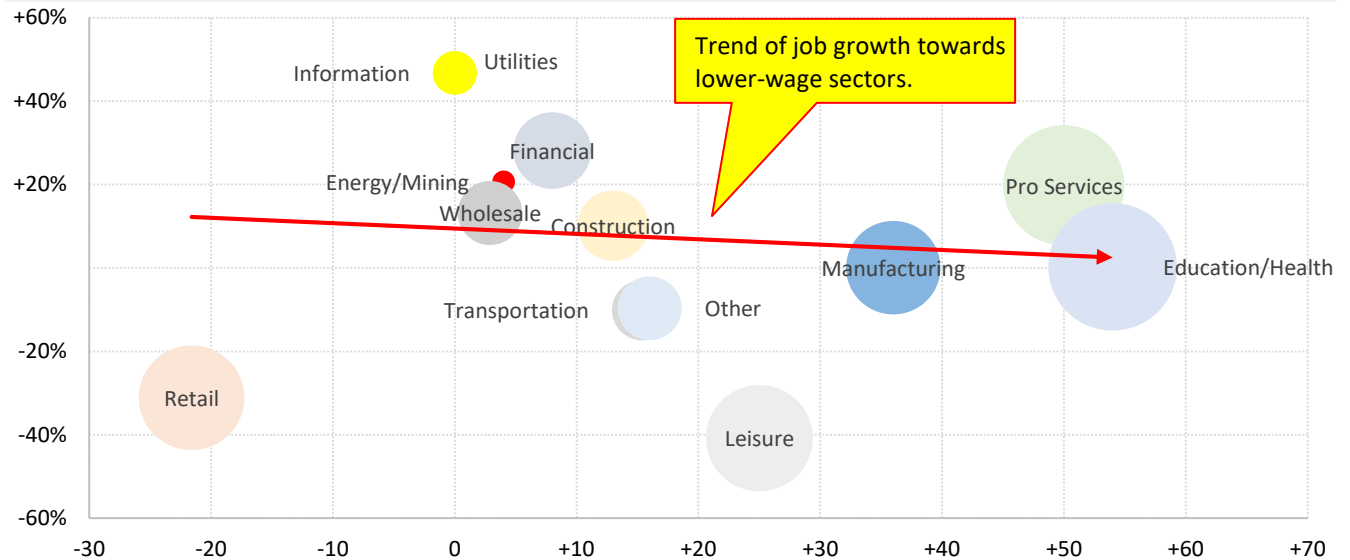
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

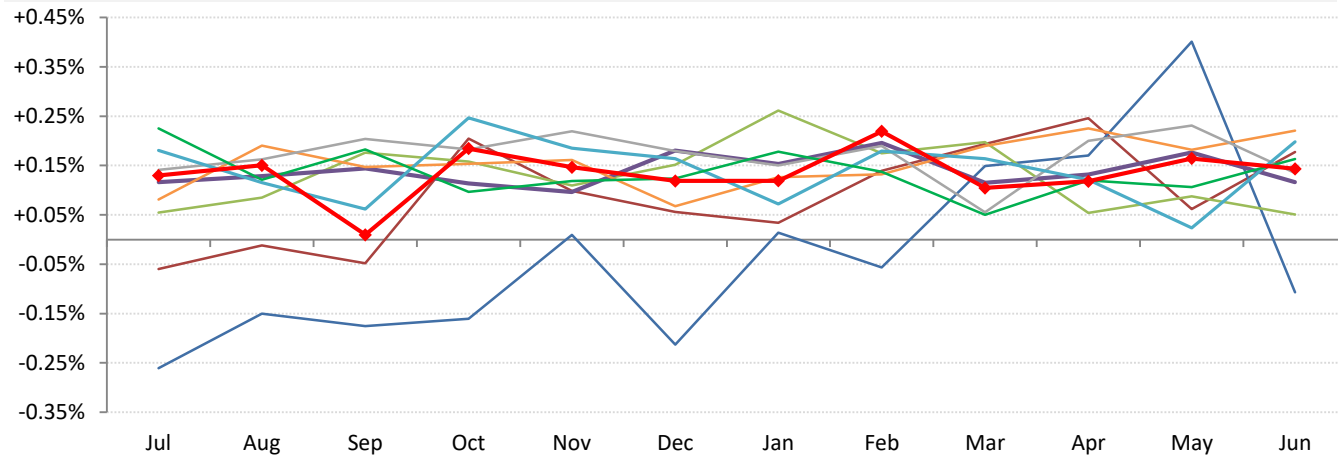
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

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

Growth MOM from July — 2009-10 — 10-11 — 11-12 — 12-13 — 13-14 — 14-15 — 15-16 — 16-17 — 2017-18

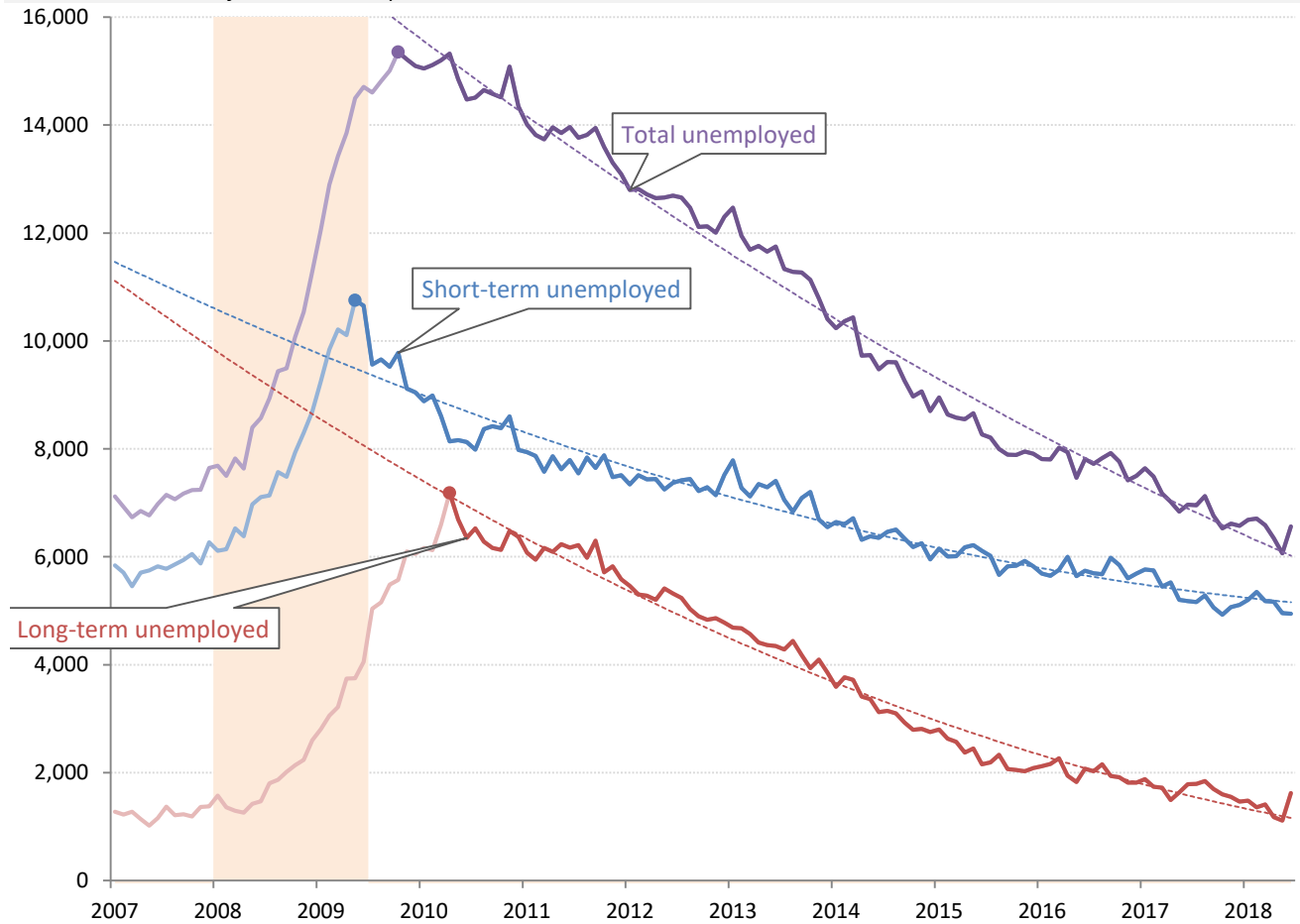


Source: BLS Current Population Survey, TrendMacro calculations

The ultimate jobless recovery is becoming jobful

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

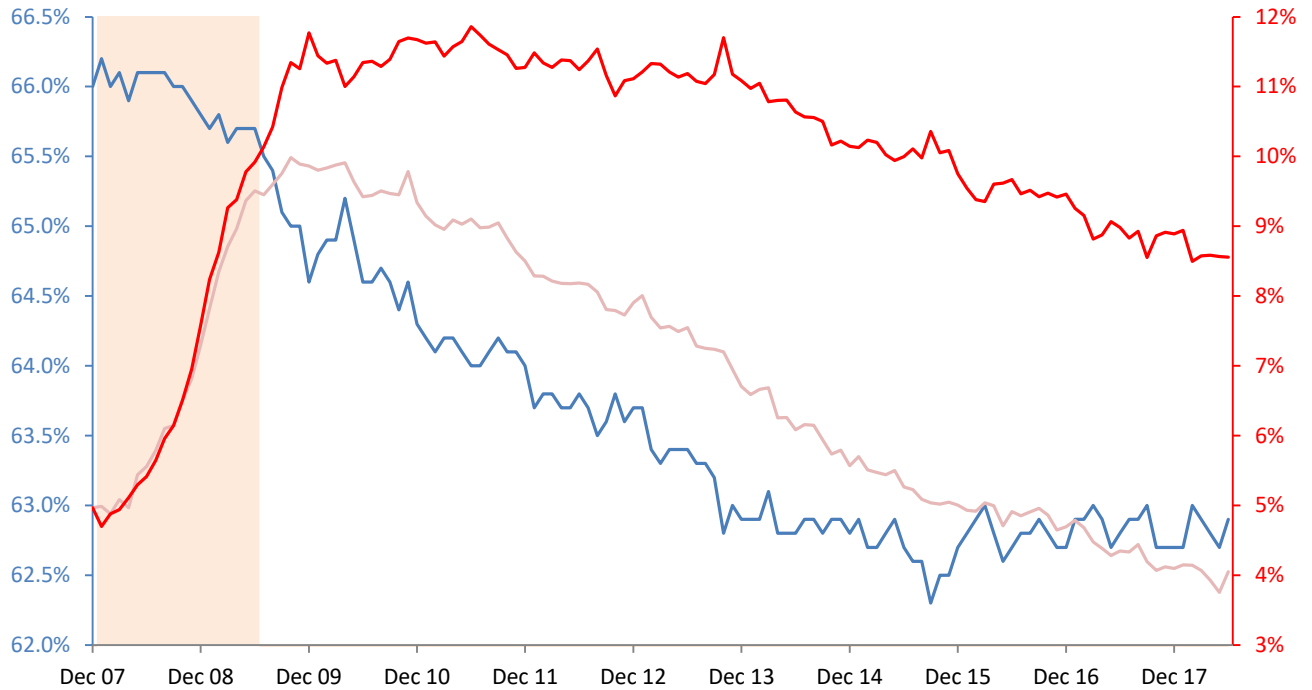
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

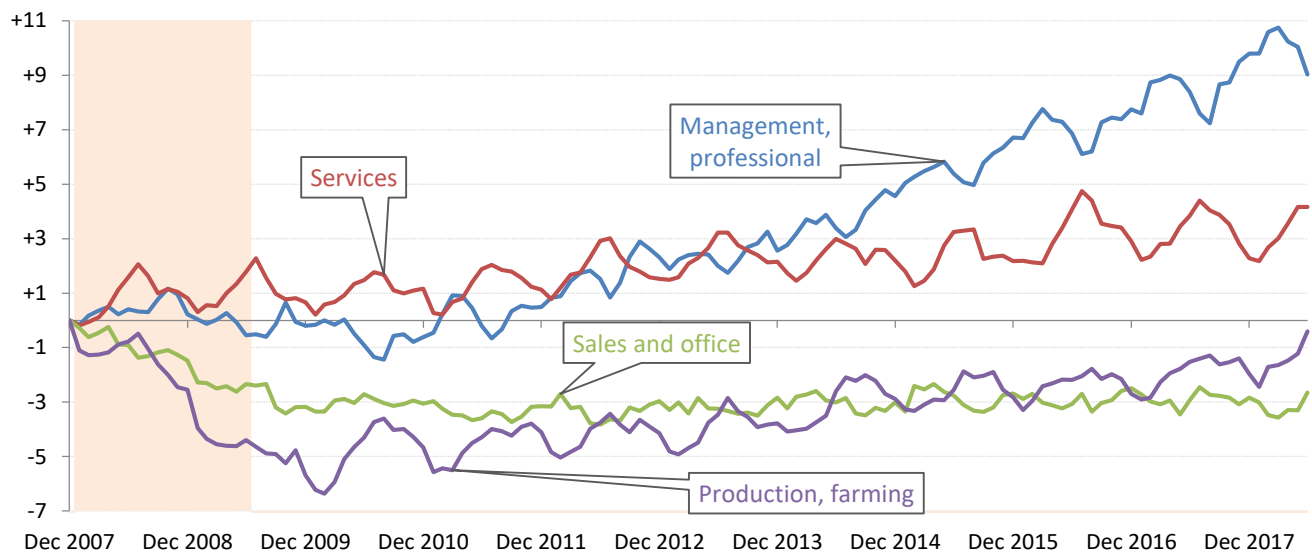
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the Not So Great Expansion following the Great Recession

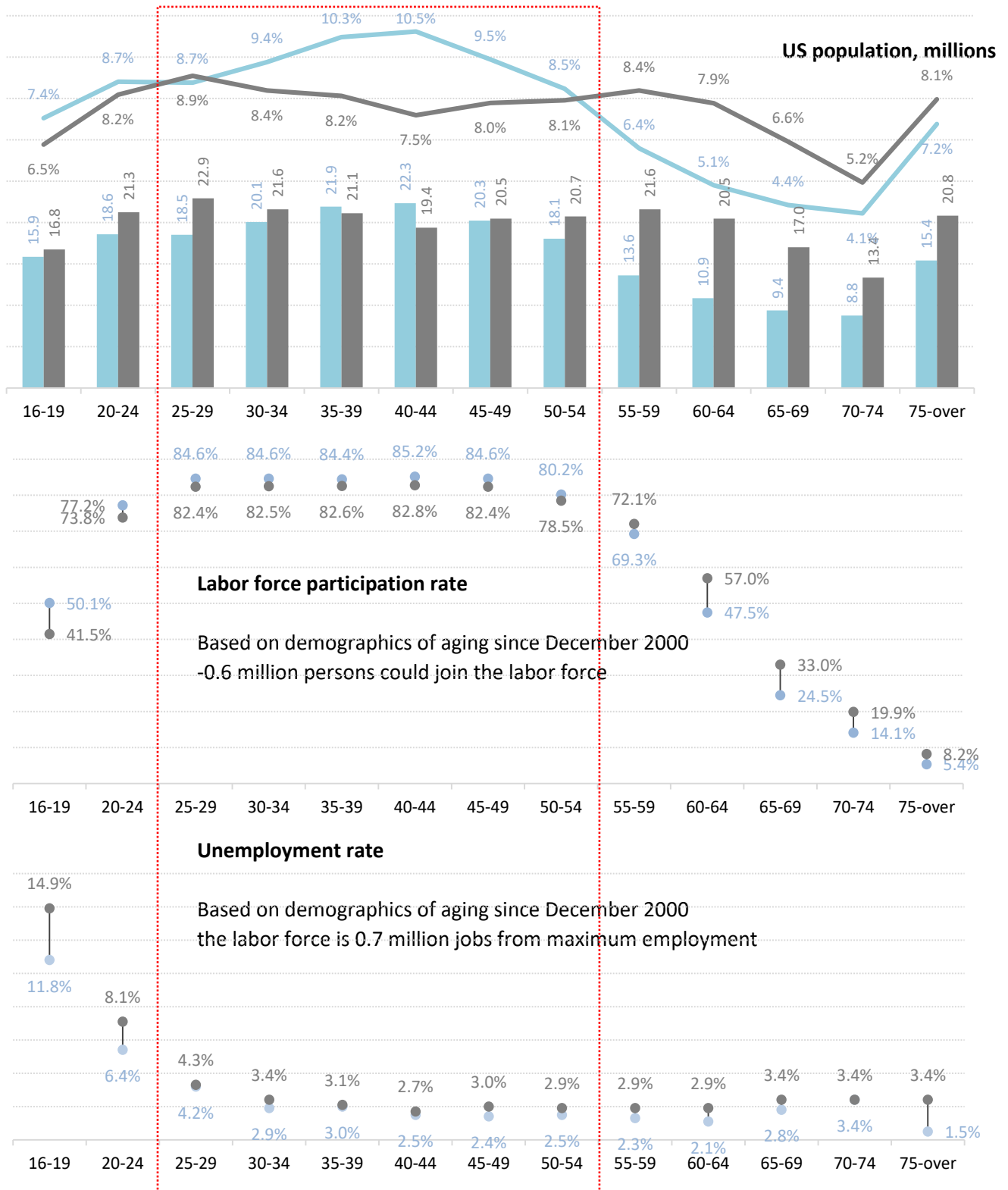
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

US labor force demographics: fading baby boom and its rising echo

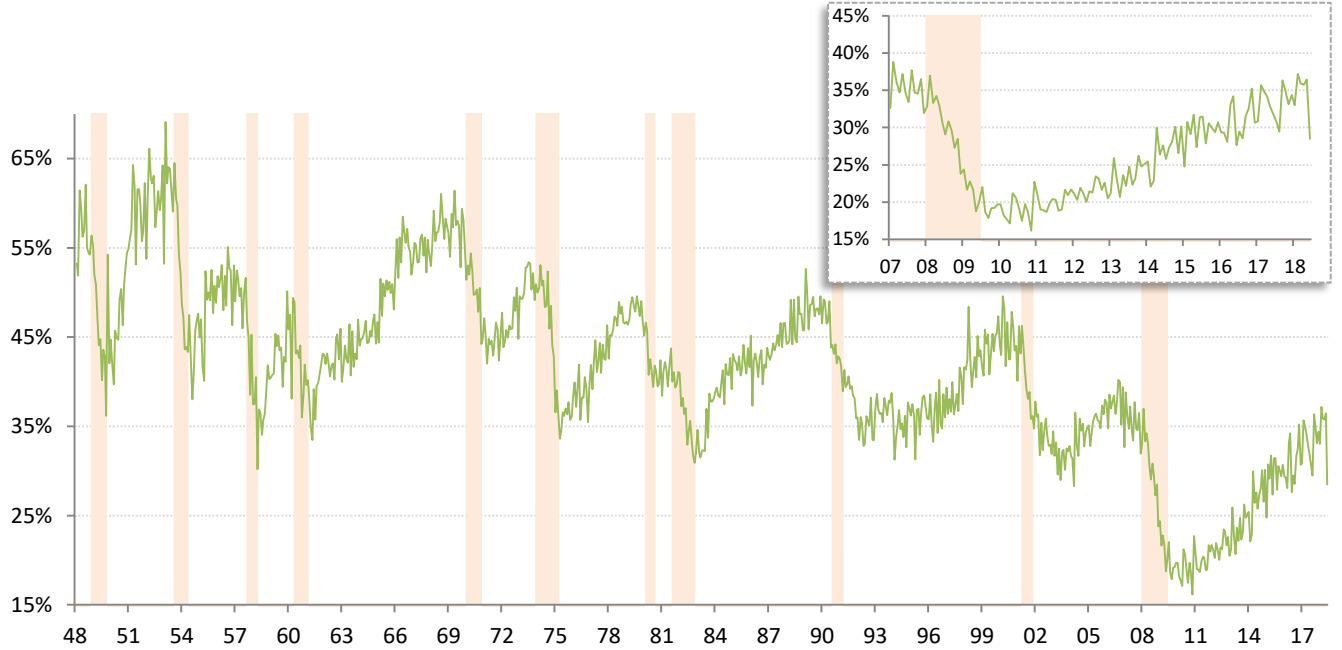
By age bracket: ■ December 2000, peak in the labor force participation rate ■ Latest □ Prime working age



Source: BLS Current Population Survey, TrendMacro calculations

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

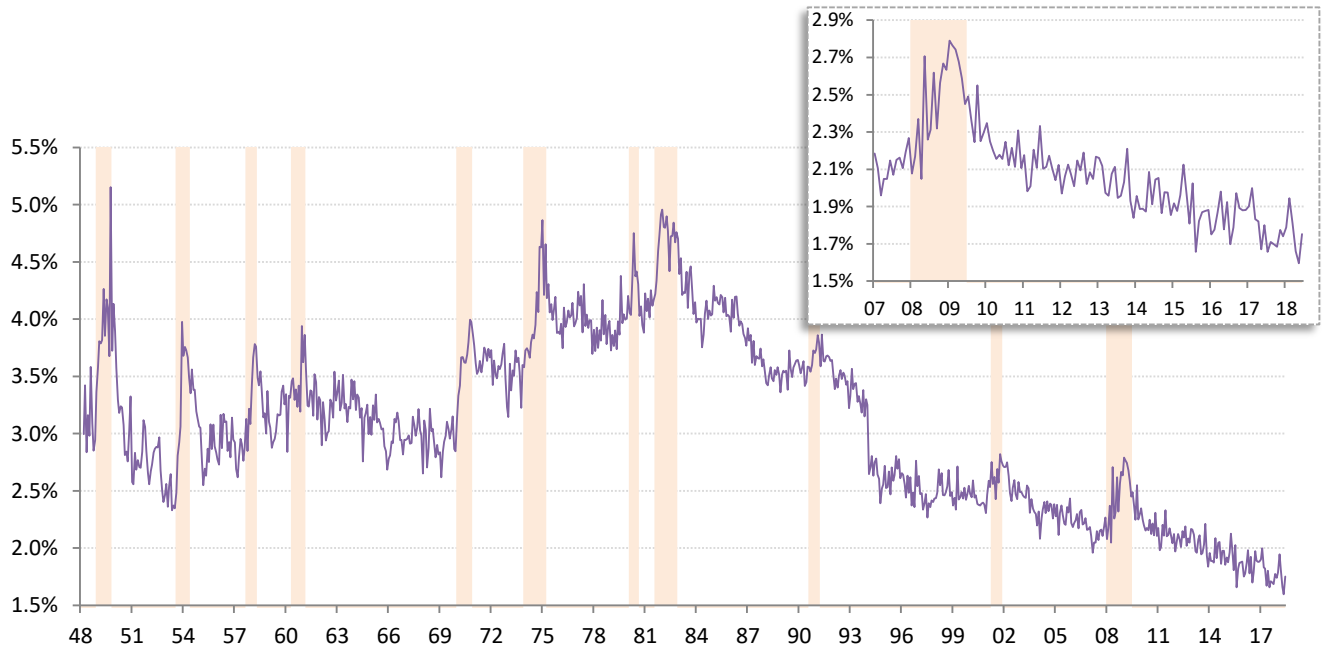
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

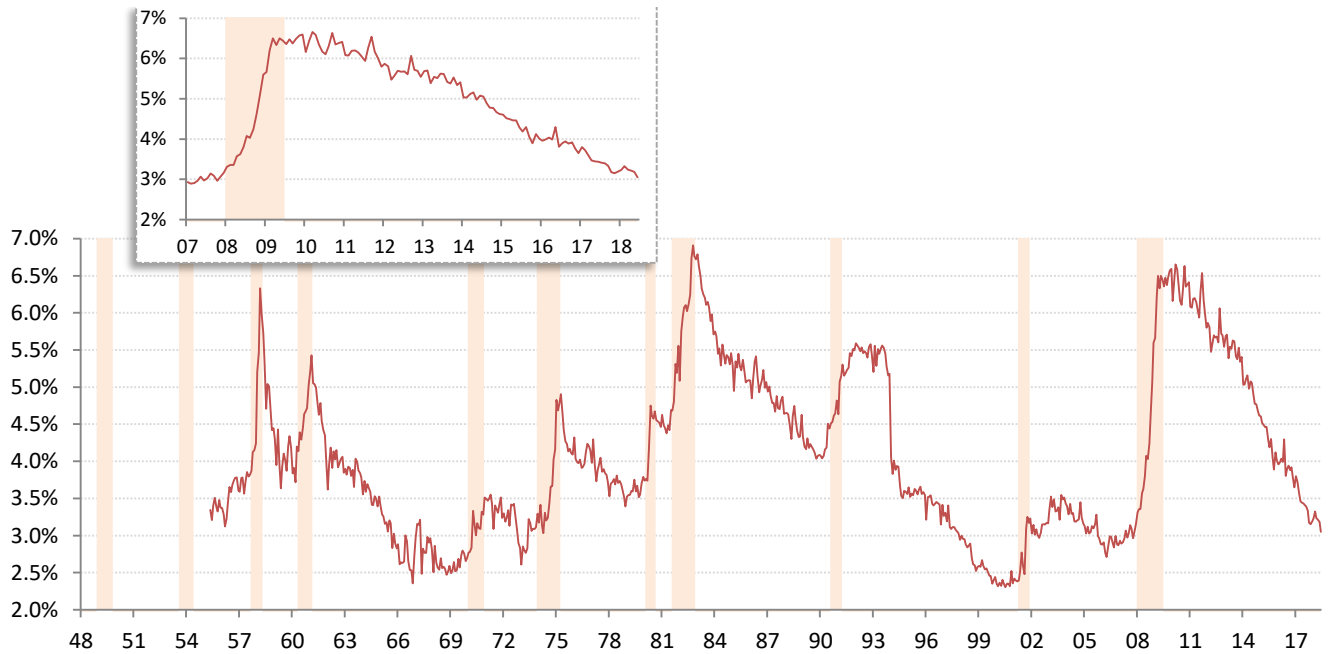
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

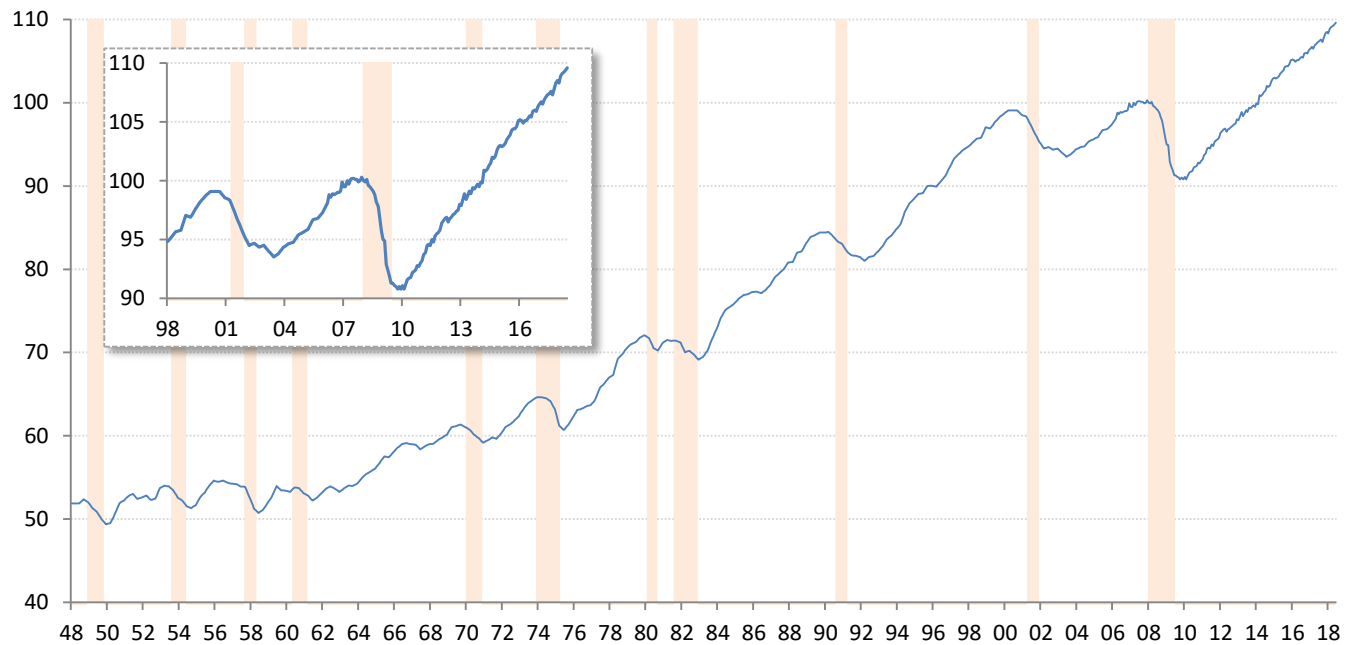
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



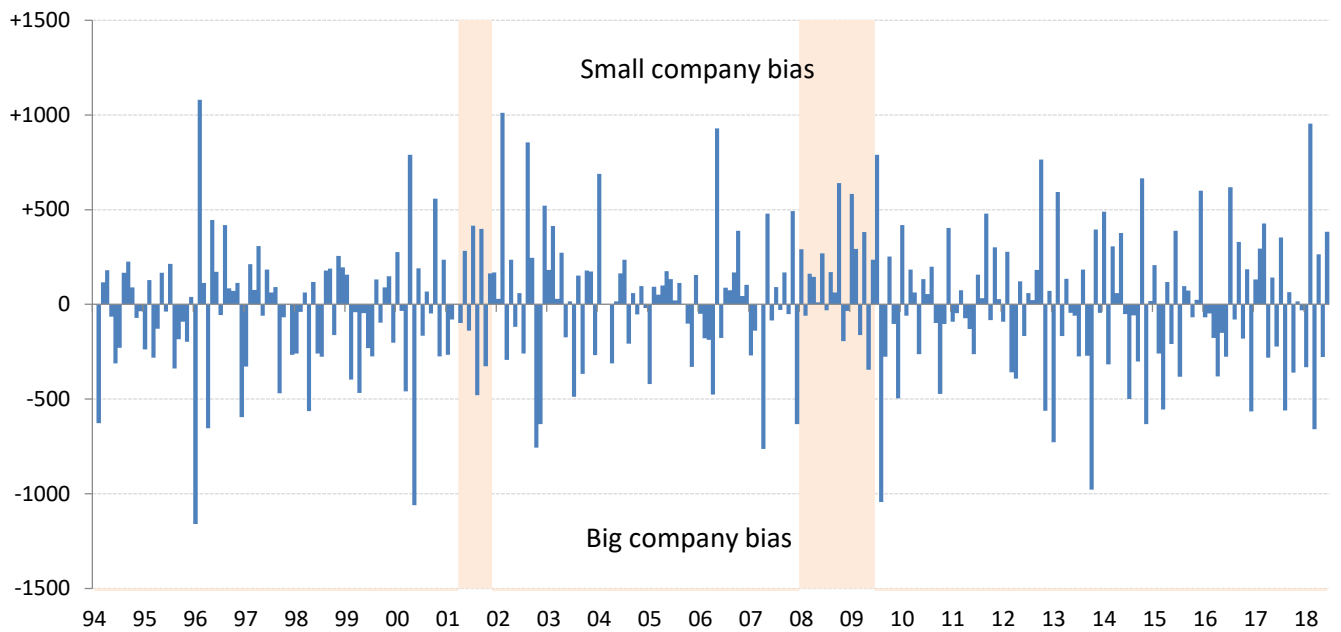
Source: BLS Current Population Survey, TrendMacro calculations

Aggregate weekly private hours-worked index ■ Recession



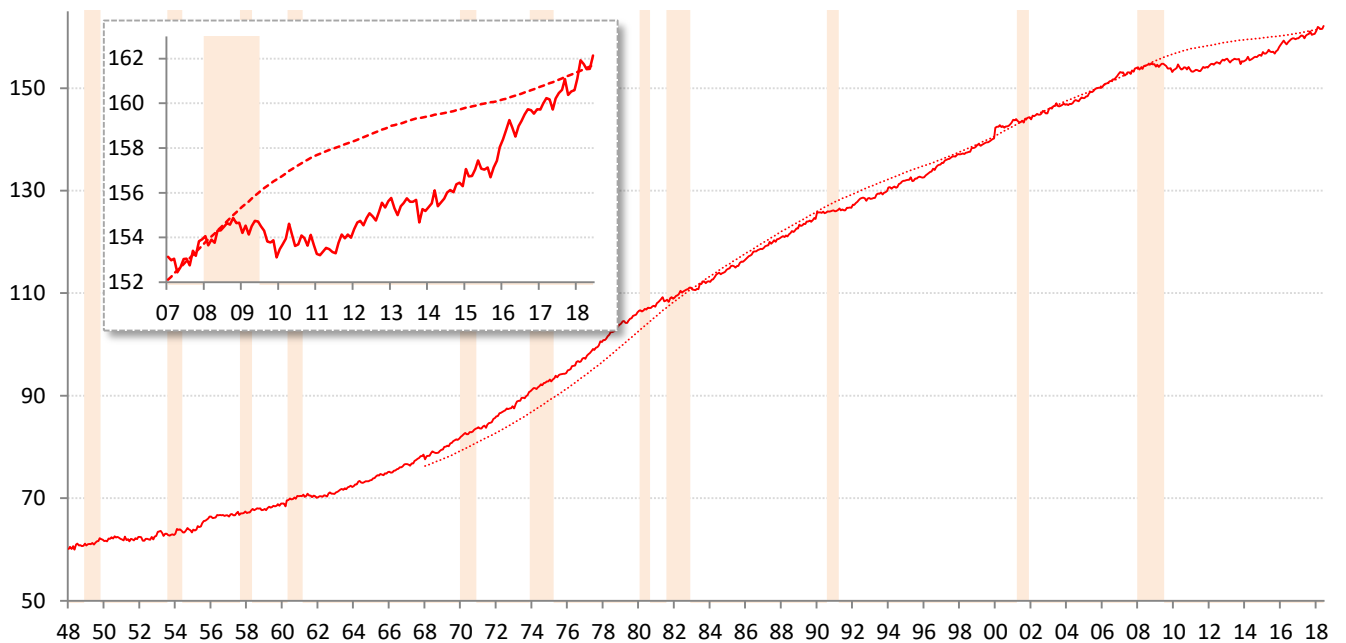
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



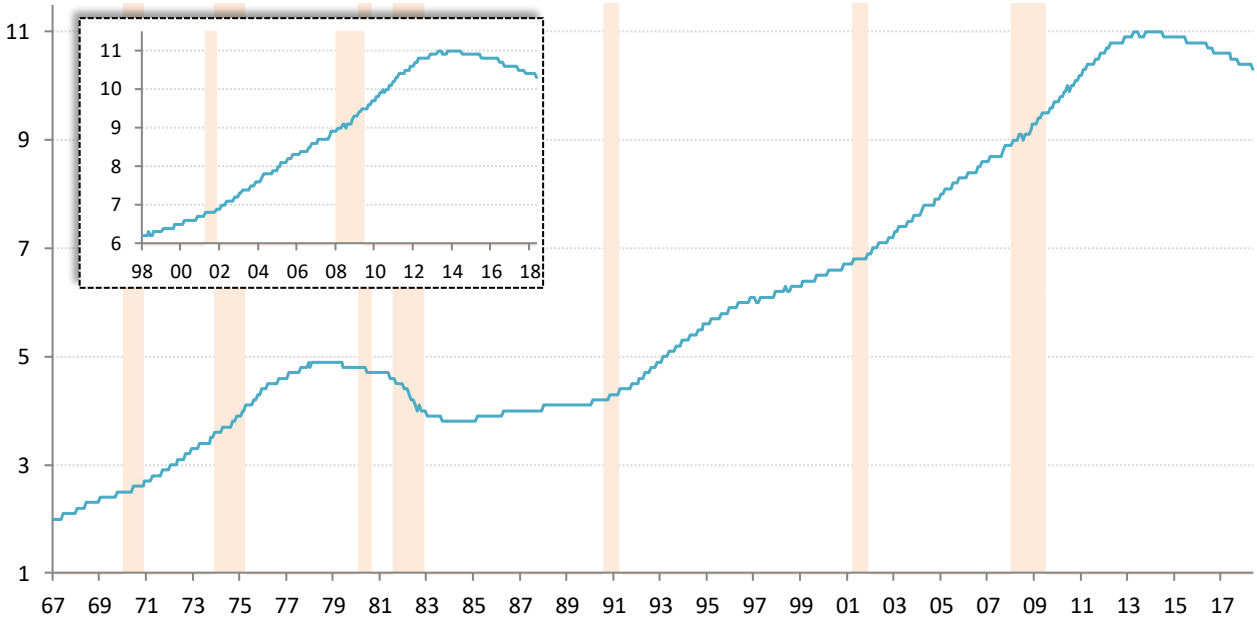
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

Civilian labor force versus 20-year trend, millions ■ Recession



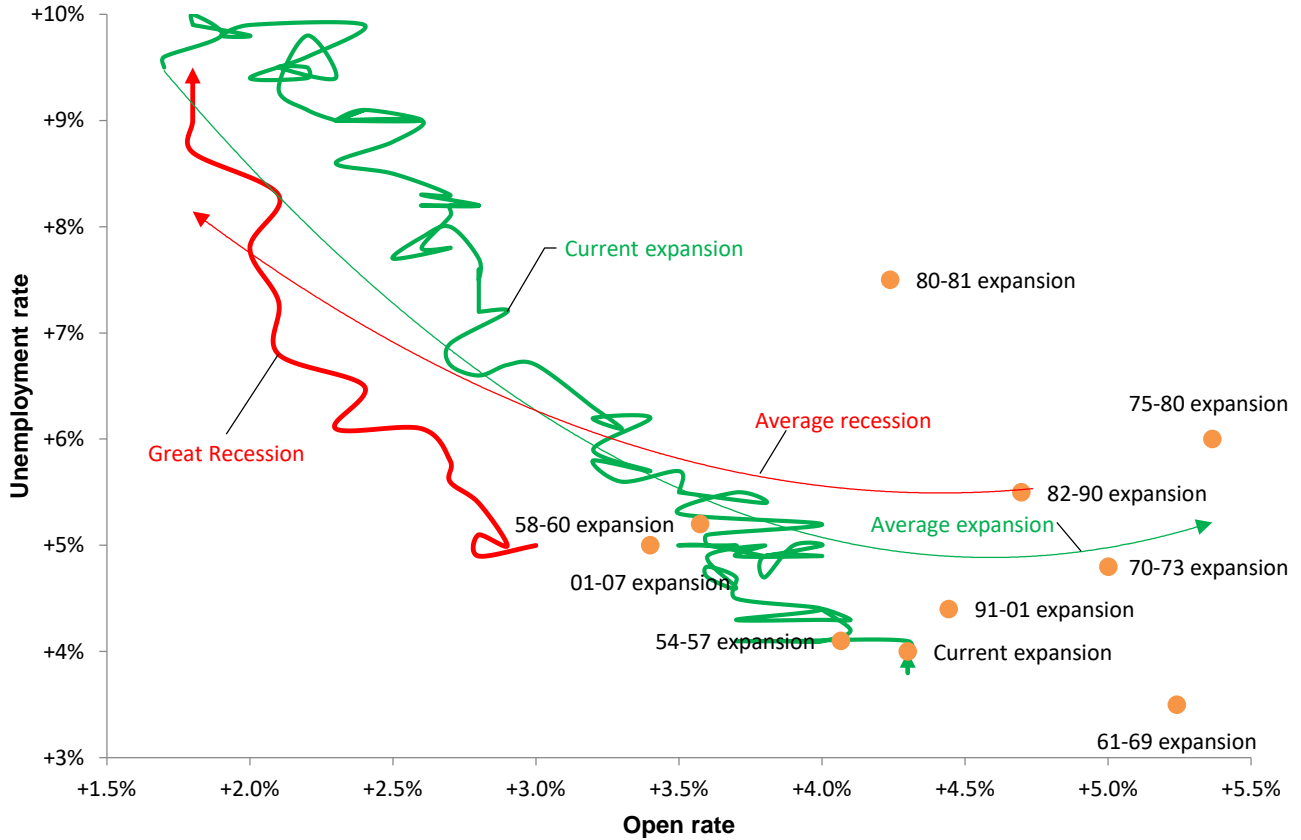
Source: BLS Current Population Survey, TrendMacro calculations

Can the disabled come back to the labor force? Social Security disability recipients, millions



Running out of workers? The Beveridge Curve

and job openings



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