

Data Insights: Jobs

Tuesday, October 22, 2013

Today's jobs data: what you need to know

Non-farm payrolls	Change Sep: +148	Revision Aug: +24	Revision Jul: -15	
Private payrolls	Change Sep: +126	Revision Aug: +9	Revision Jul: -27	
Employment	Change Sep: +133			
Unemployment	Change Sep: -61			
Civilian labor force	Change Sep: +73	4.32 million below trend	More than all entrants employed	
Unemployment rate	Sep: 7.24%	Change Sep: -0.04%		
Underemployment rate	Sep: 13.6%	Change Sep: -0.1%		
Participation rate	Sep: 63.2%	Change Sep: unch		
UE adjusted for participation	Sep: 12.8%	Change Sep: -0.04%		
Avg weeks unemployed	Sep: 36.9	Change Sep: -0.1		
% longterm unemployed	Sep: 36.9%	Change Sep: -1.0%		
Agg hours worked index	Sep: 98.9	Change Sep: +0.1%		
Agg weekly earnings	Sep: 113.6	Change Sep: +0.3%		
Monthly job-finding probability	Sep: 25.8%	Change Sep: -0.4%		
Monthly separation probability	Sep: 2.1%	Change Sep: +0.0%		
% involuntary part-time	Sep: 5.5%	Change Sep: +0.0%		
"Household" vs "Payroll" jobs	Change Sep: -343			

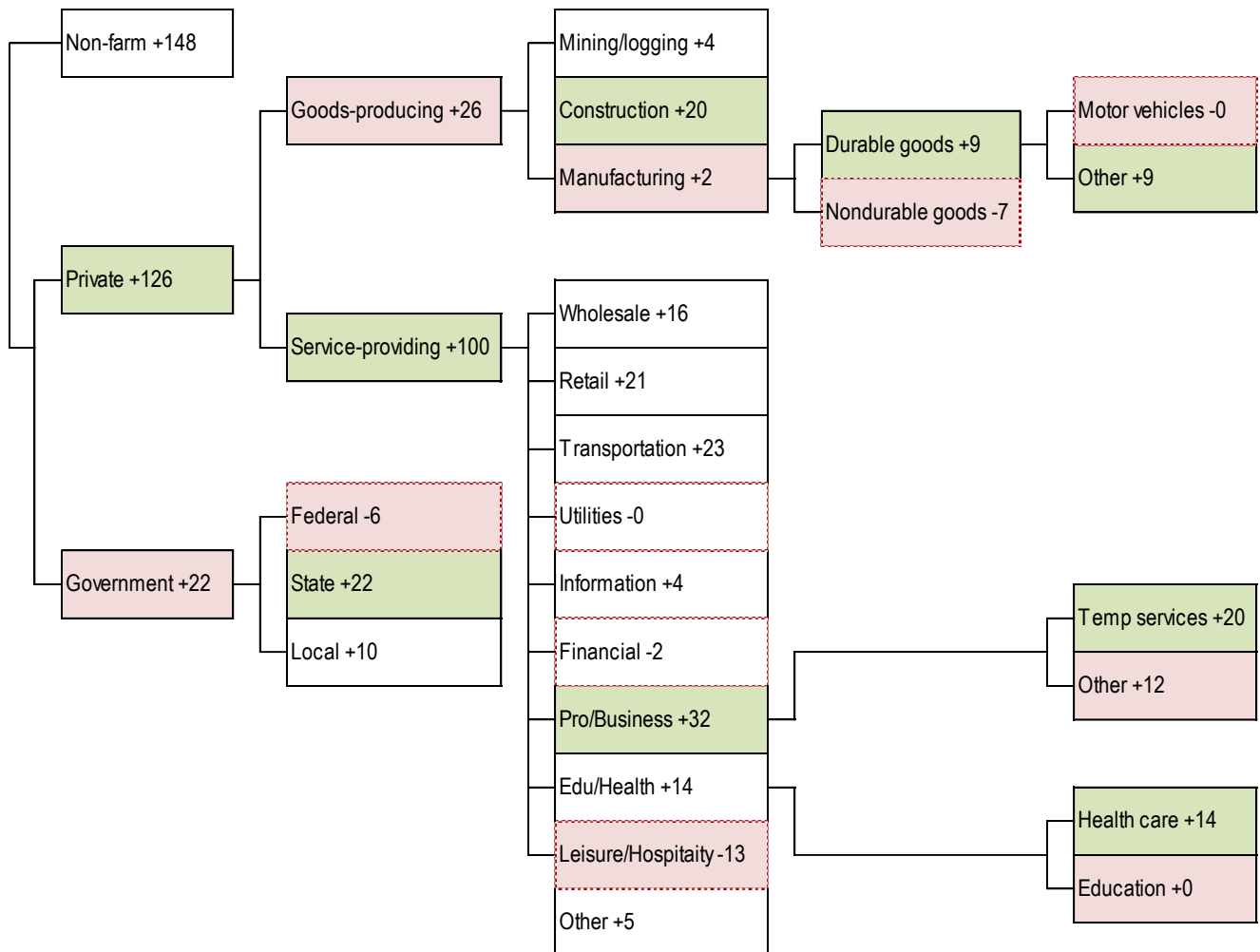
Source: Bureau of Labor Statistics, TrendMacro calculations

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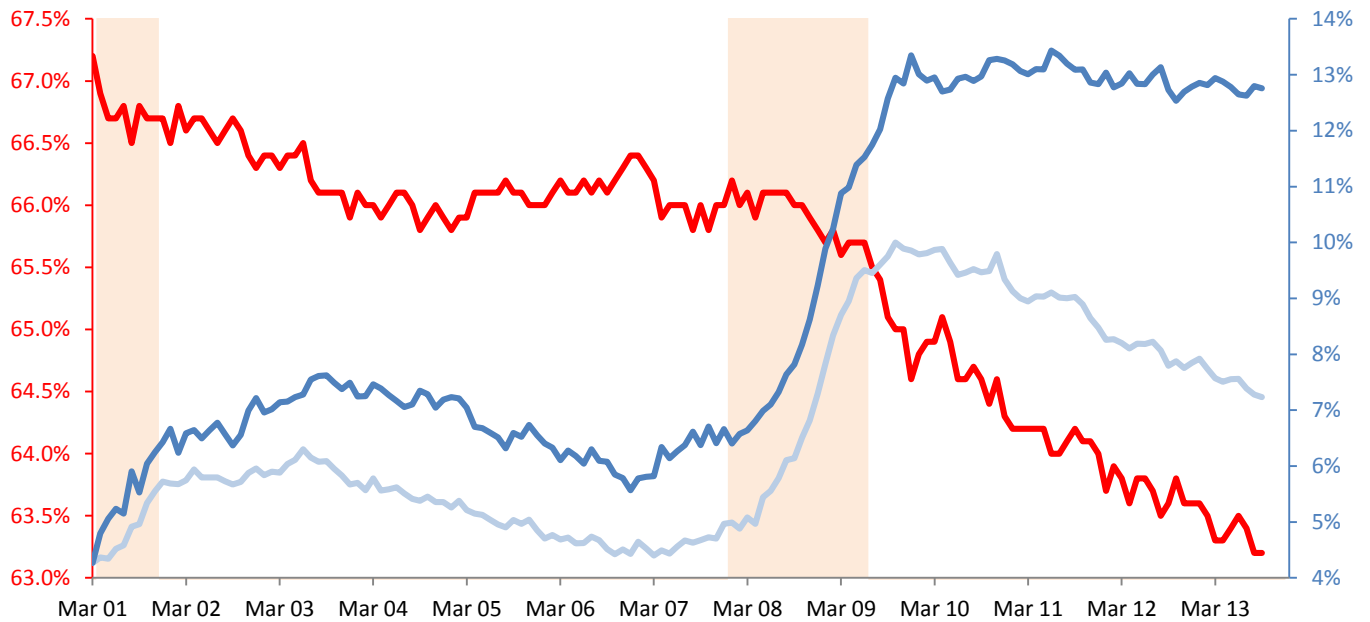
Today's payroll data: what you need to know -- where did the jobs come from?

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



Unemployment rate normalized for peak participation rate March 2001

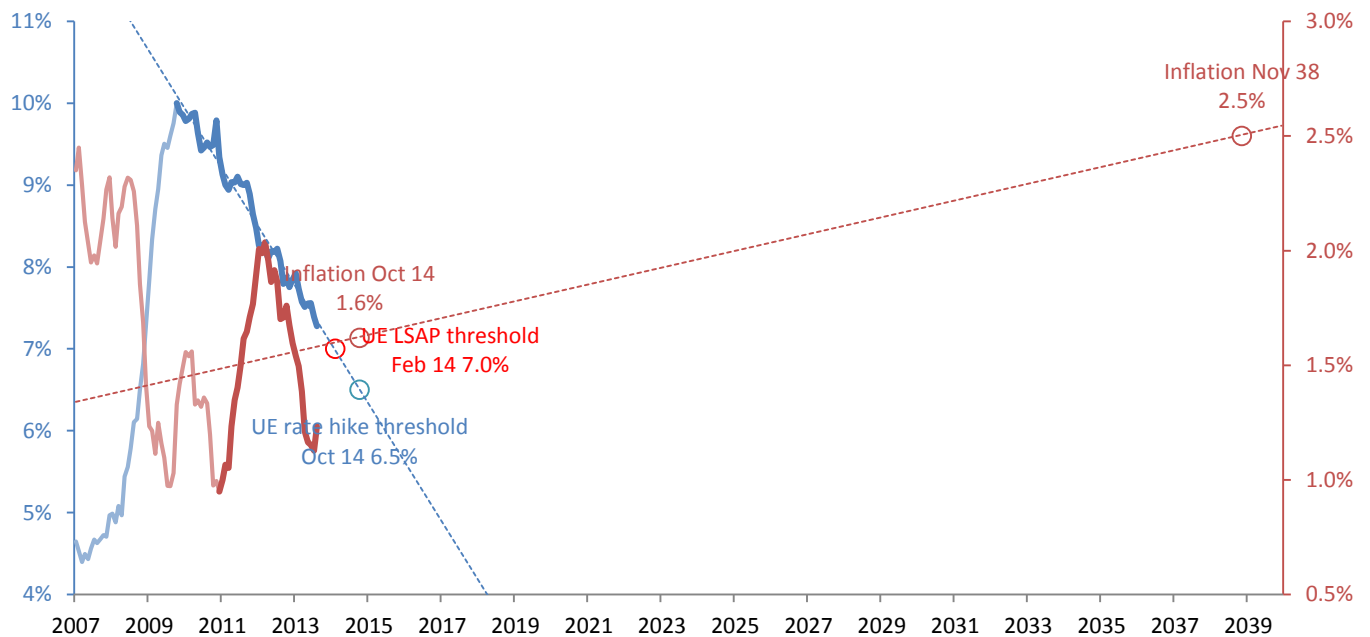
— Participation rate — Headline unemployment rate — Unemployment rate normalized for peak participation rate March 2001 — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

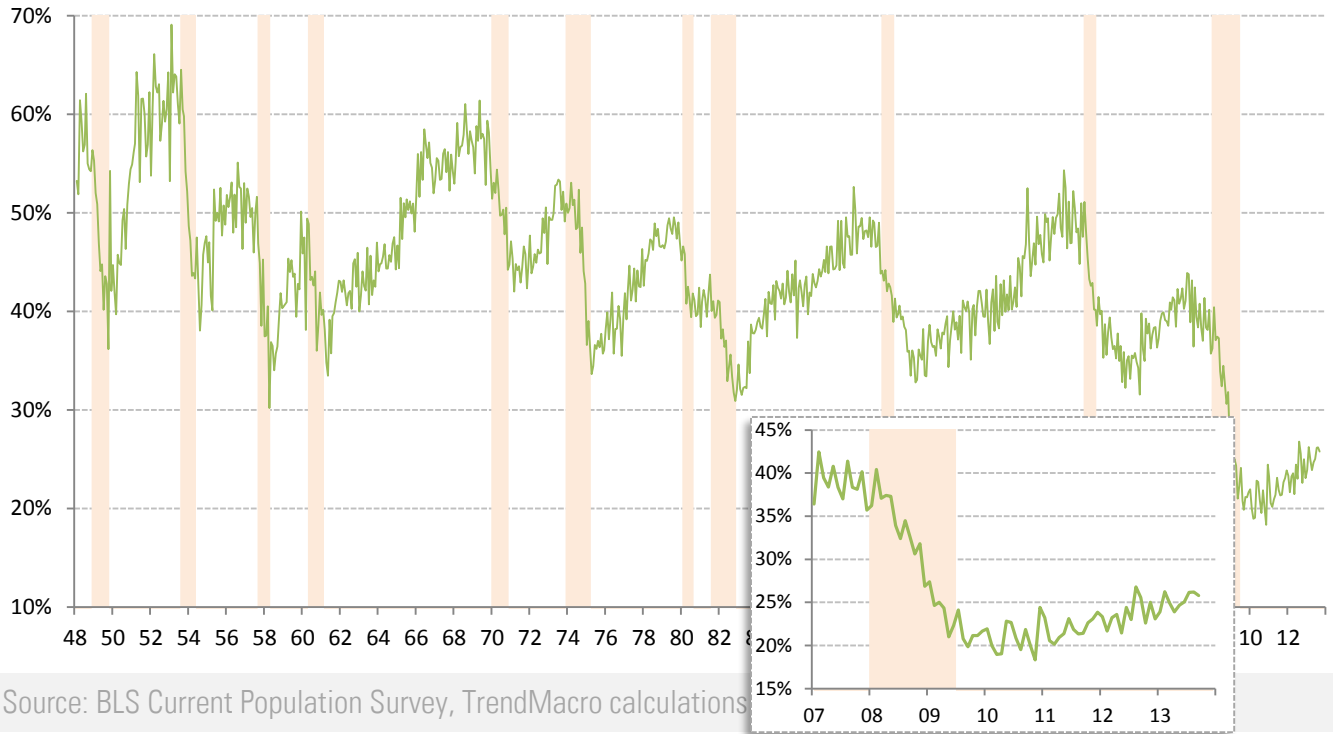
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

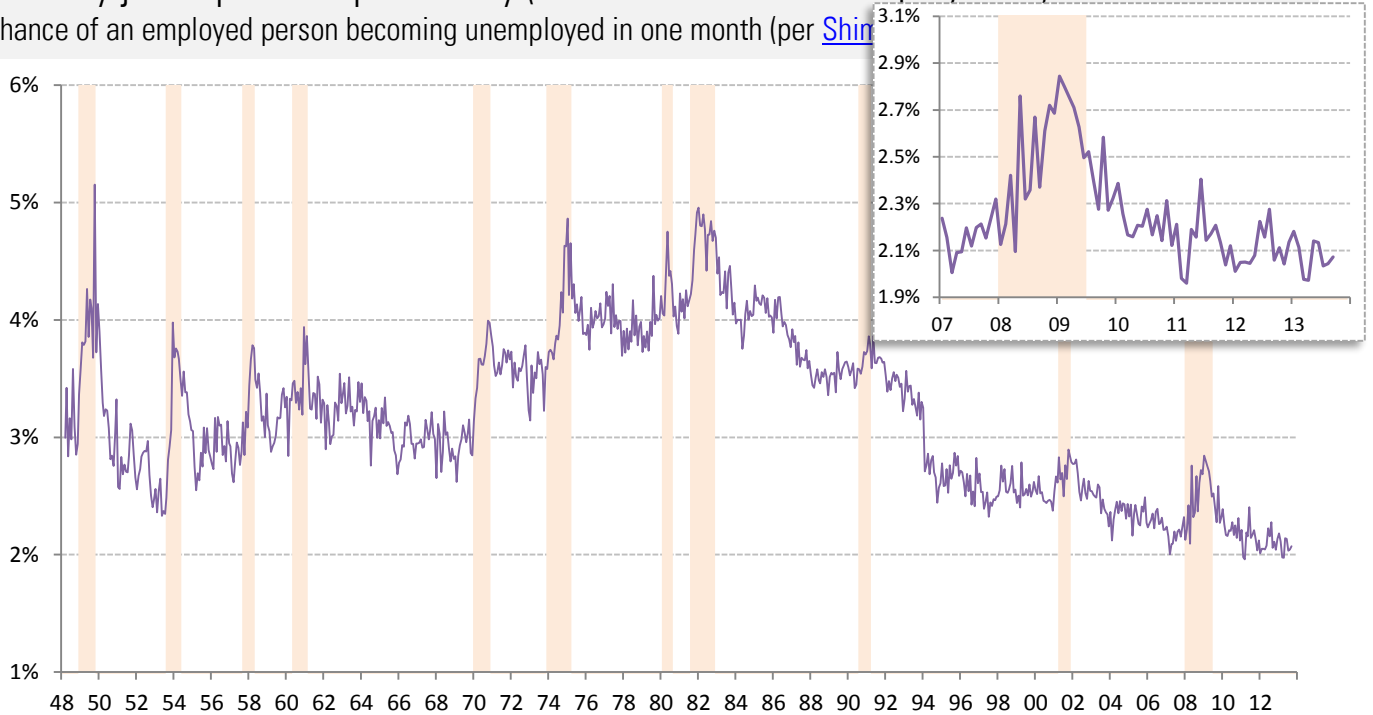
Monthly job-finding probability (the outflow rate from unemployment)

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



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

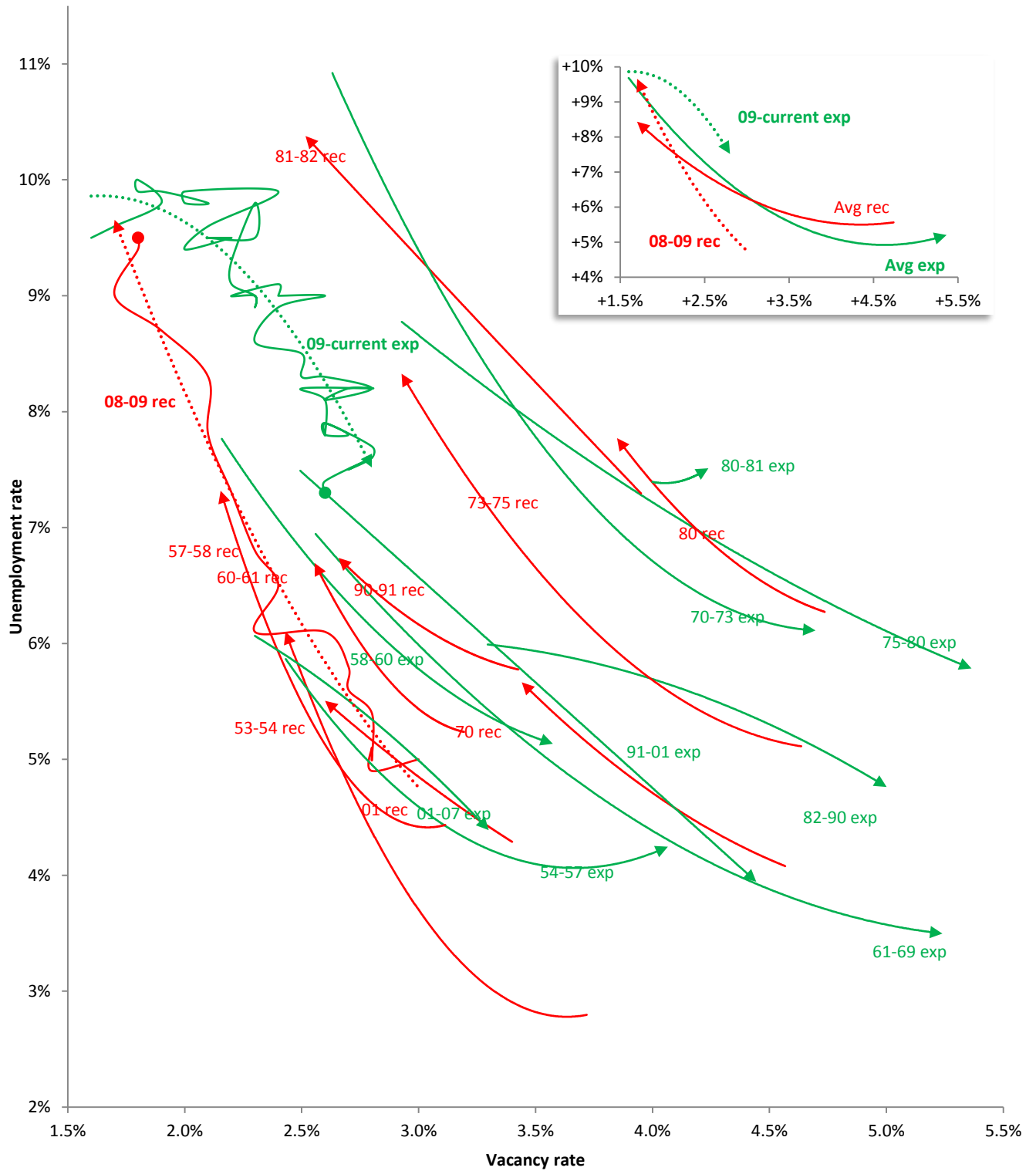
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))



The Beveridge Curve

Cycle relationship between unemployment and job openings

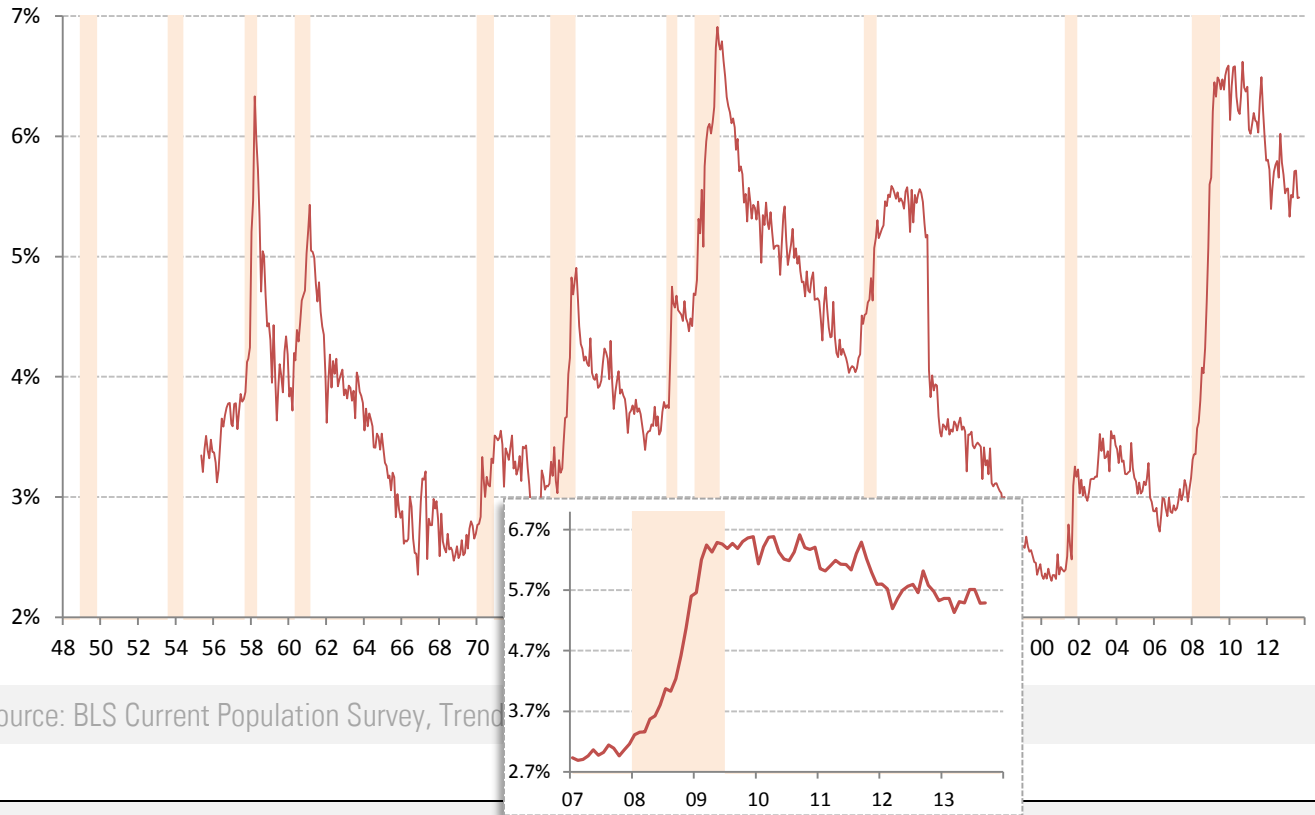
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

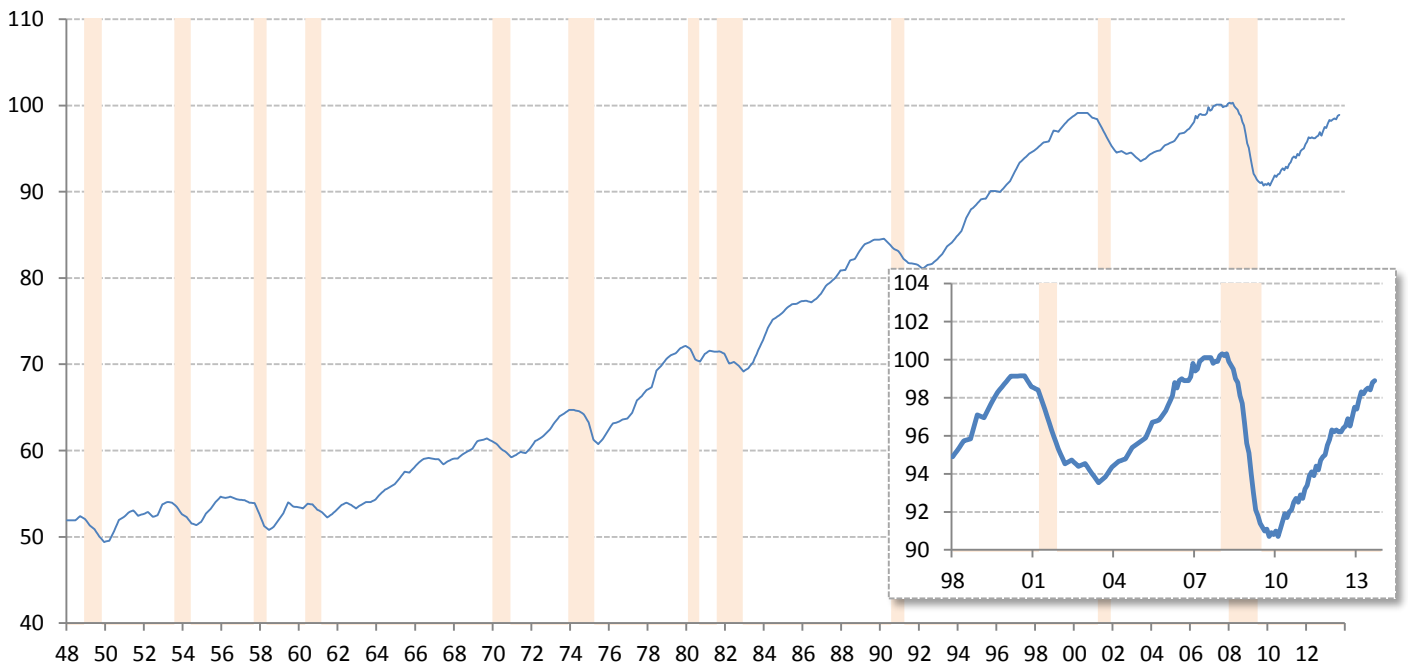
Persons available for full-time work ■ Recession



Source: BLS Current Population Survey, Trend

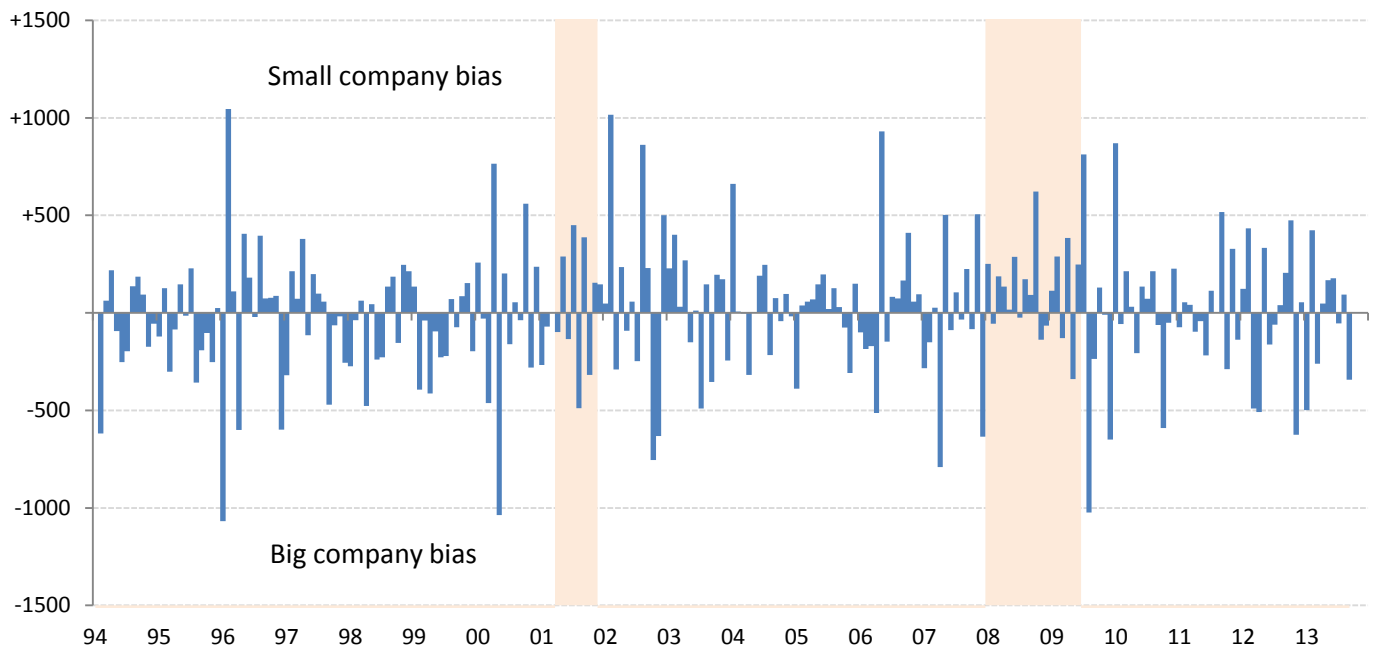
Aggregate weekly private hours-worked index

■ Recession



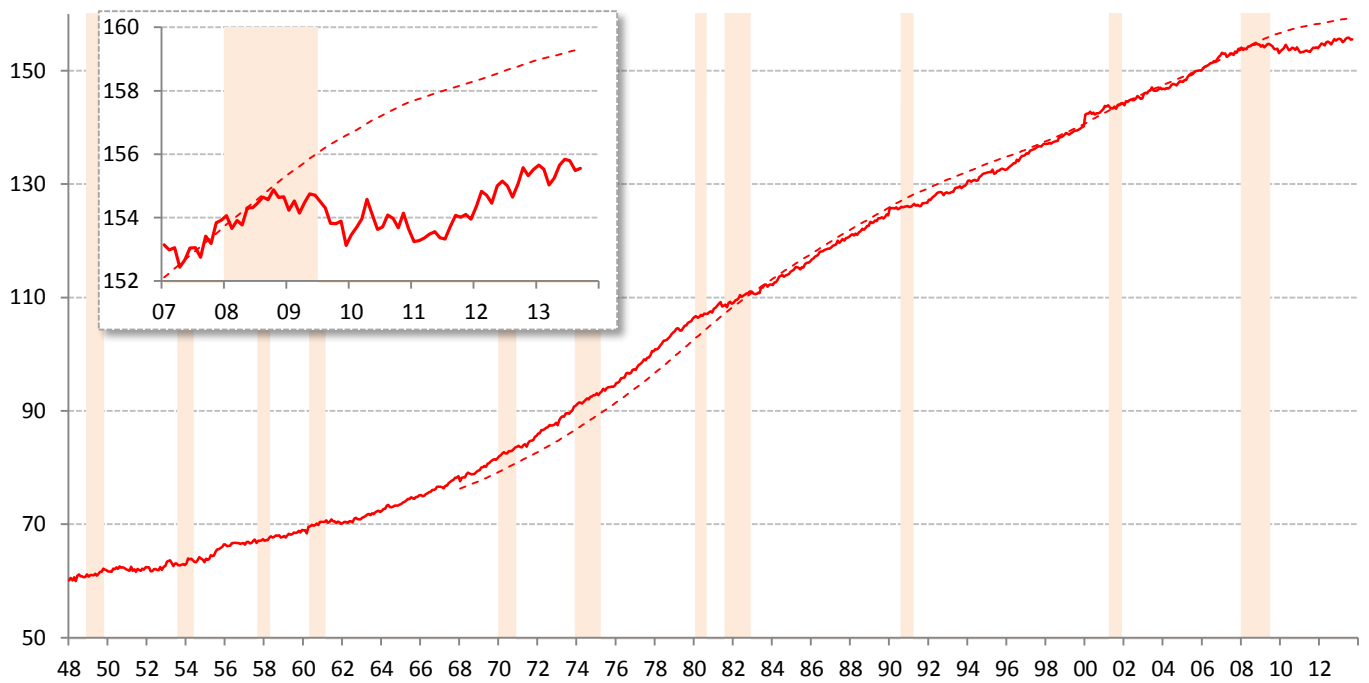
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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