












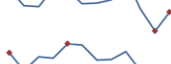

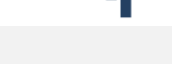
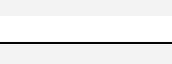


Data Insights: Jobs

Friday, February 7, 2014

Today's jobs data: what you need to know

Non-farm payrolls	Change Jan: +113	Revision Dec: +1	Revision Nov: +33	
Private payrolls	Change Jan: +142	Revision Dec: +1	Revision Nov: +33	
Employment	Change Jan: +638			
Unemployment	Change Jan: -115			
Civilian labor force	Change Jan: +523	4.71 million below trend	More than all entrants employed	
Unemployment rate	Jan: 6.58%	Change Jan: -0.10%		
Underemployment rate	Jan: 12.7%	Change Jan: -0.4%		
Participation rate	Jan: 63.0%	Change Jan: +0.2%		
UE adjusted for participation	Jan: 12.4%	Change Jan: -0.37%		
Avg weeks unemployed	Jan: 35.4	Change Jan: -1.7		
% longterm unemployed	Jan: 35.8%	Change Jan: -1.9%		
Agg hours worked index	Jan: 99.5	Change Jan: +0.1%		
Agg weekly earnings	Jan: 114.9	Change Jan: +0.3%		
Monthly job-finding probability	Jan: 27.0%	Change Jan: -0.4%		
Monthly separation probability	Jan: 2.0%	Change Jan: +0.1%		
% involuntary part-time	Jan: 5.0%	Change Jan: -0.4%		
"Household" vs "Payroll" jobs	Change Jan: +788			

Source: Bureau of Labor Statistics, TrendMacro calculations

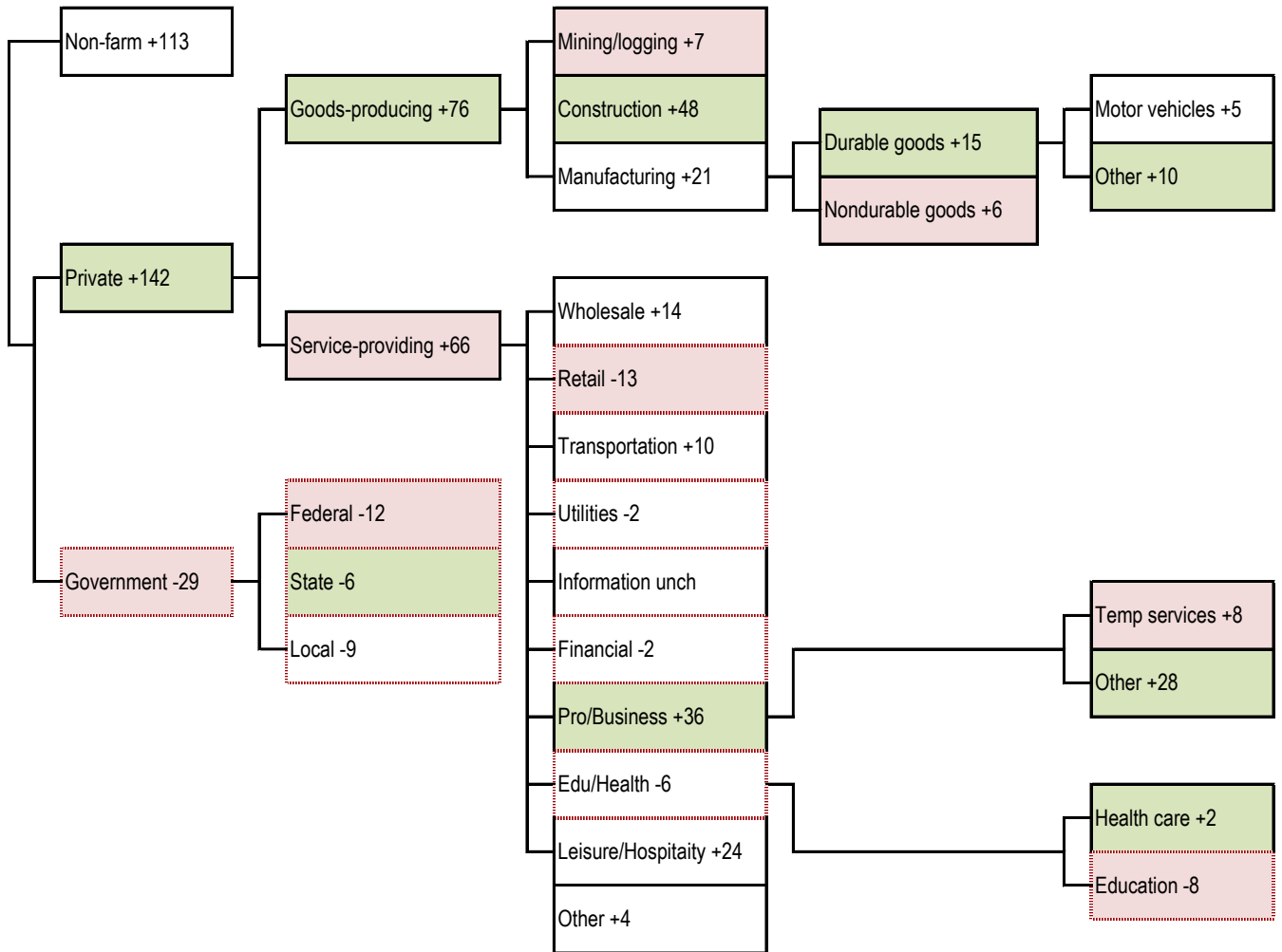
For more information contact us:

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



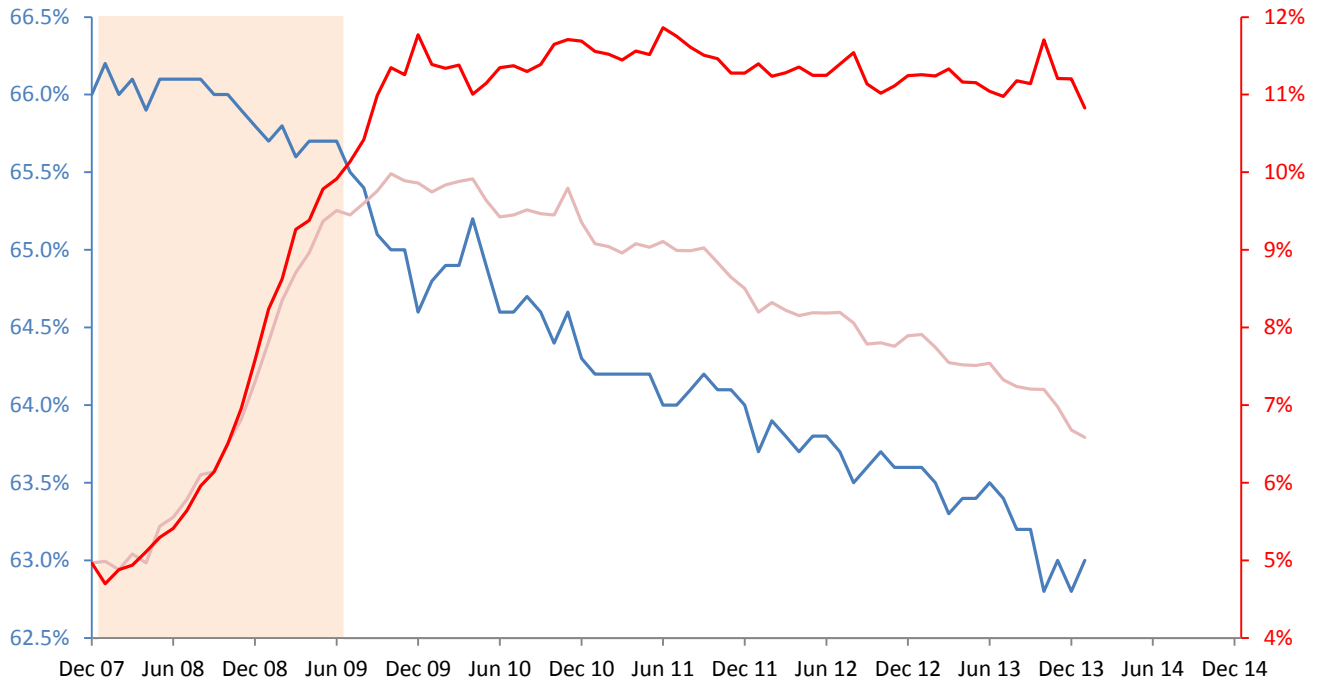
Is the weather affecting unemployment?

Share of unemployed persons claiming no work due to weather ■ Average from 1976 ◆ Most recent



Unemployment rate normalized for participation rate December 2007

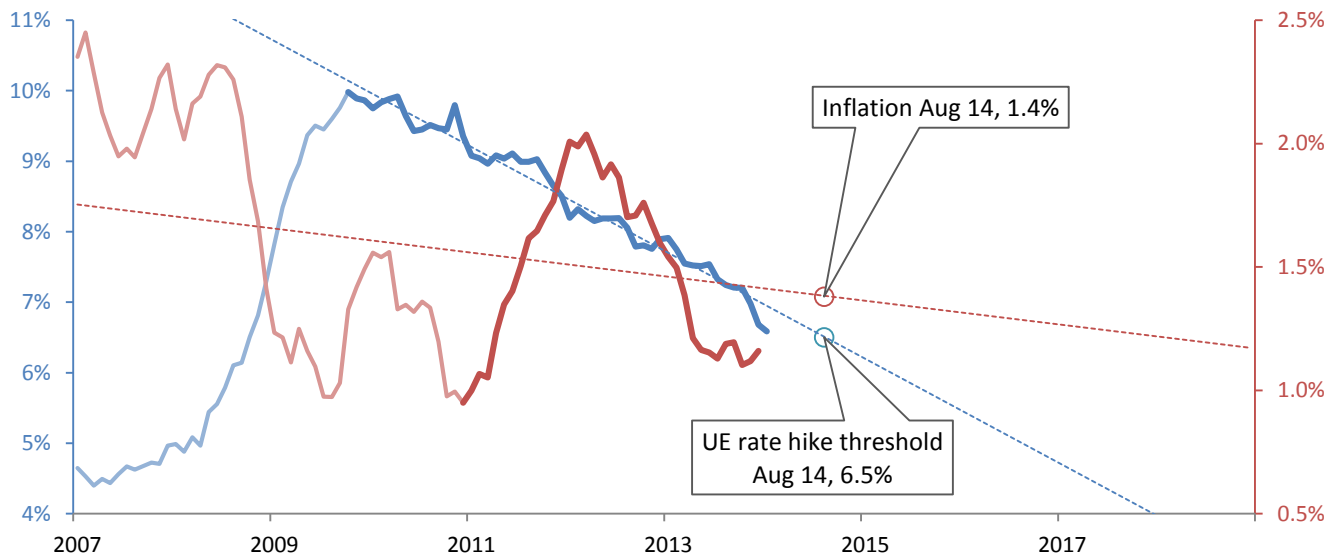
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

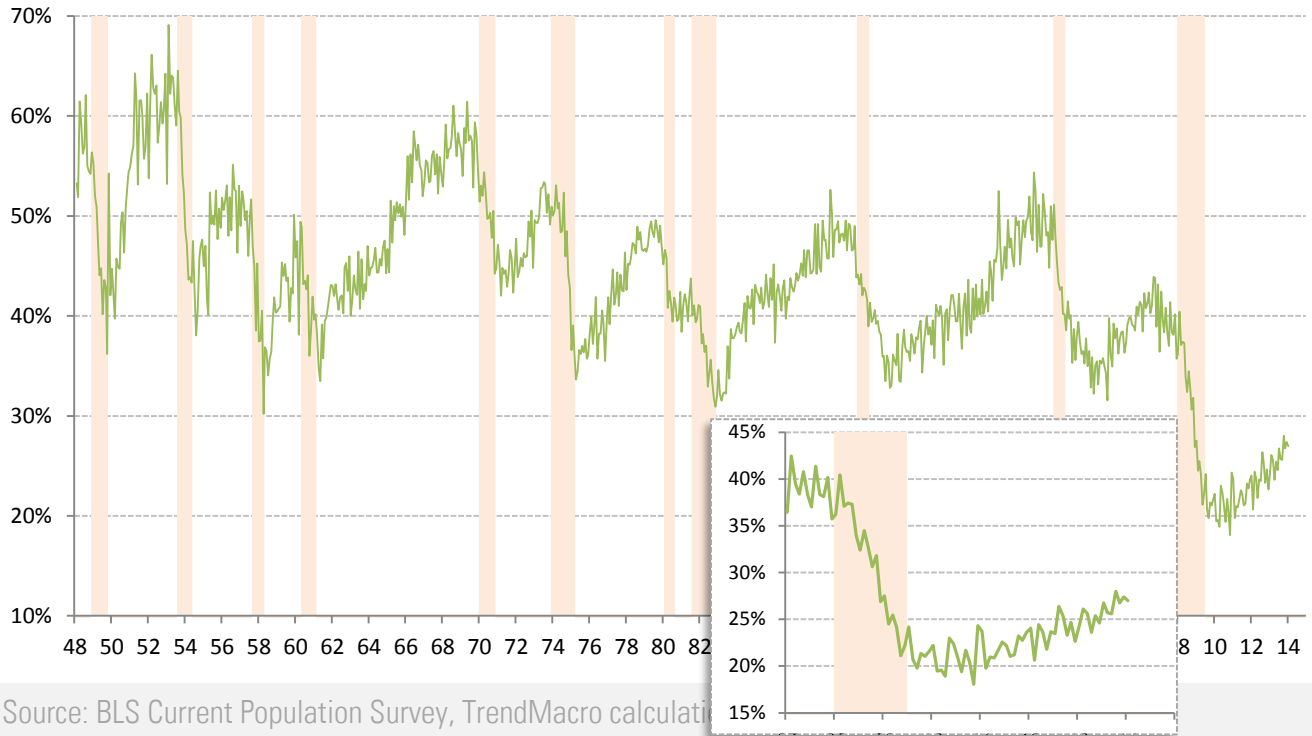
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

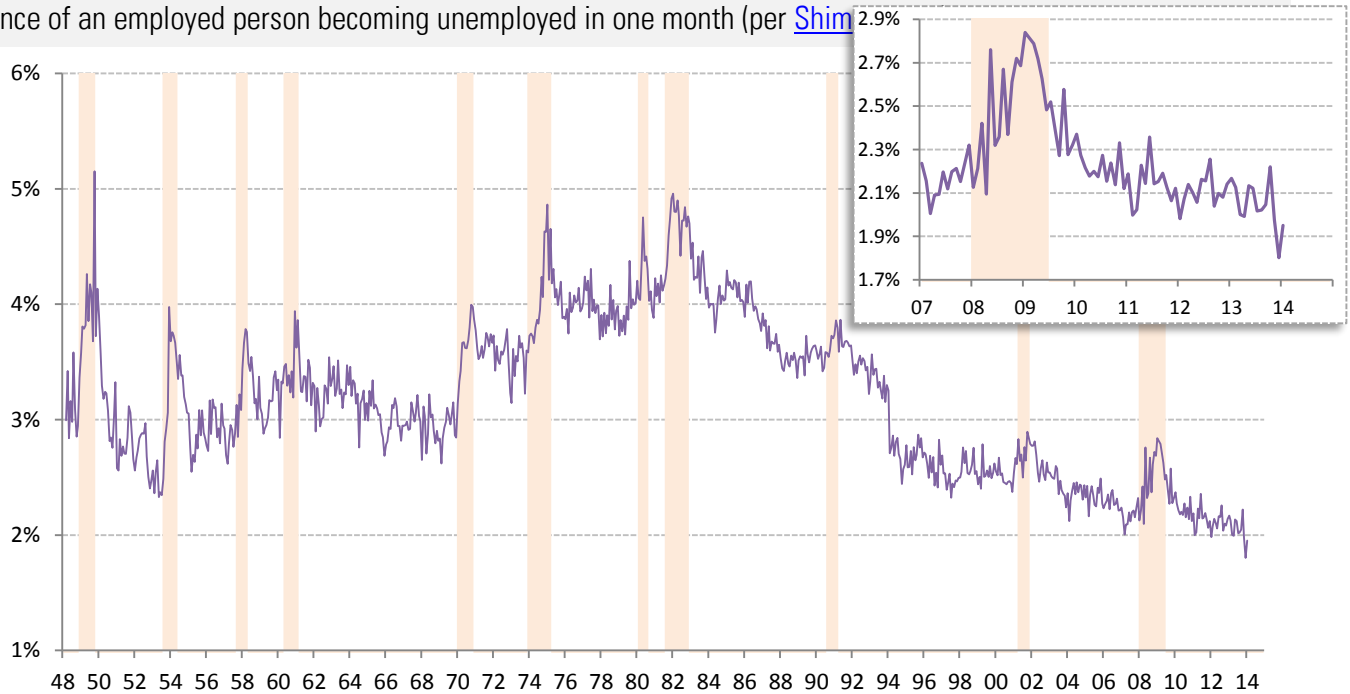
Monthly job-finding probability (the outflow rate from unemployment)

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



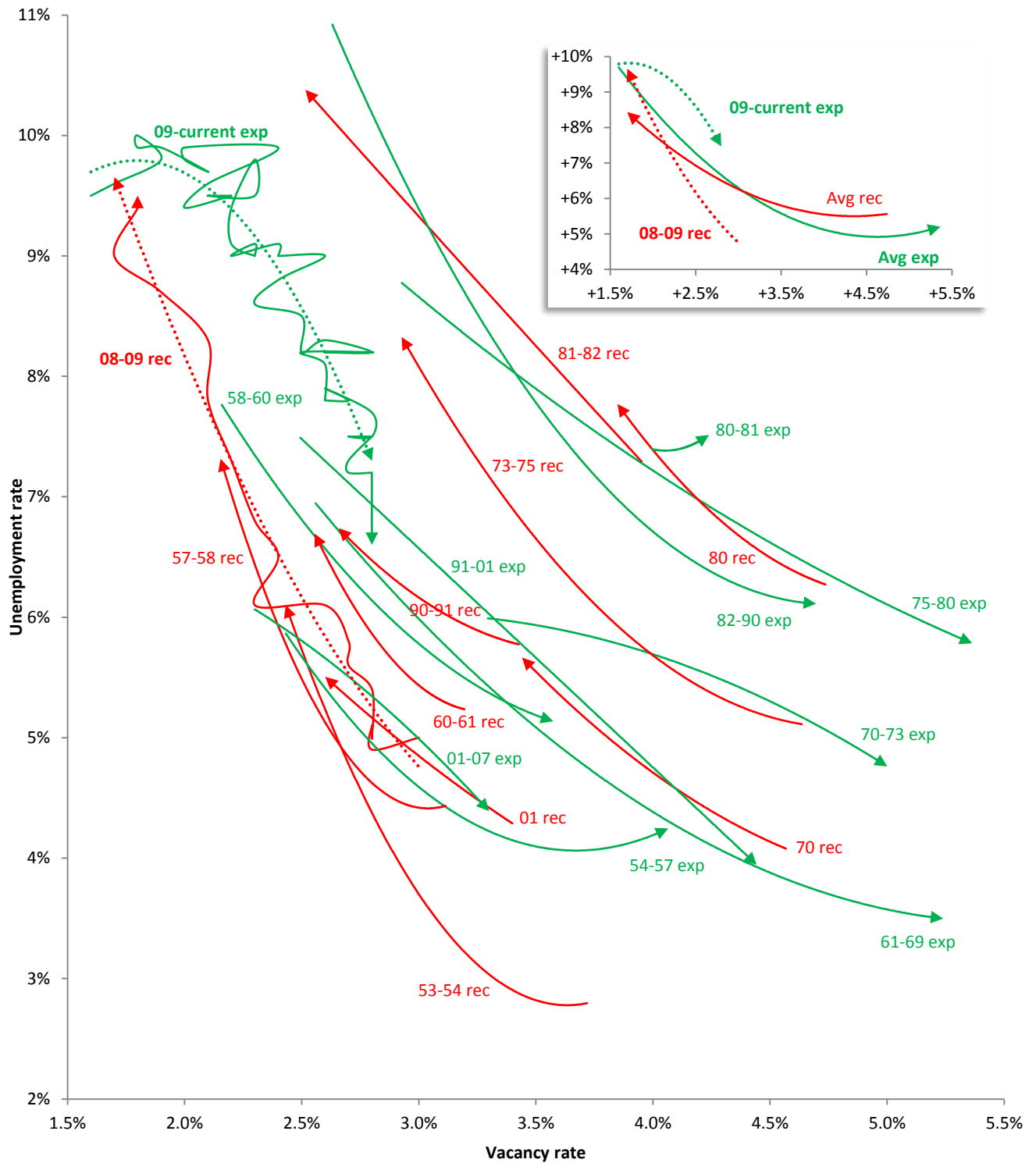
Monthly job-separation probability (the inflow rate to unemployment)

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



The Beveridge Curve Cycle relationship between unemployment and job openings

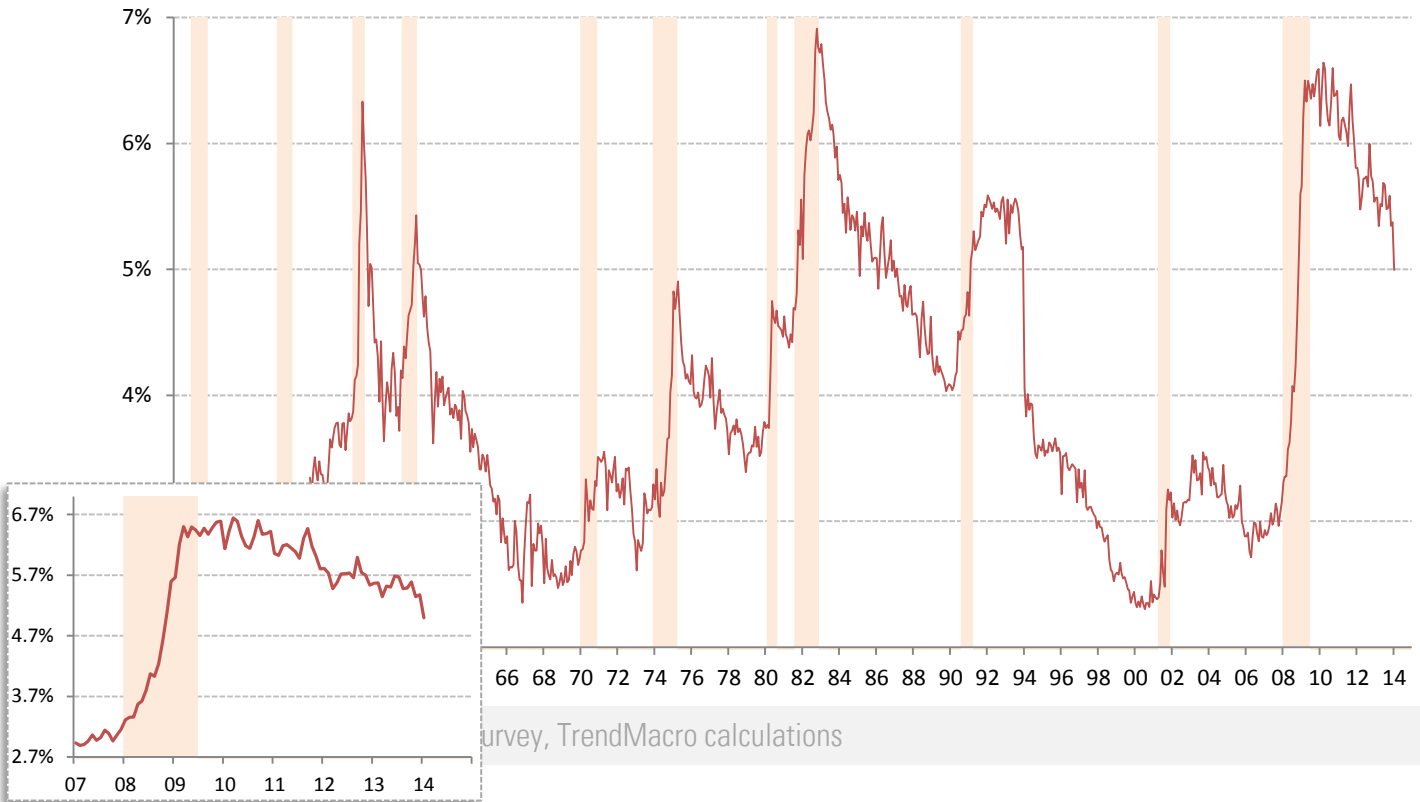
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

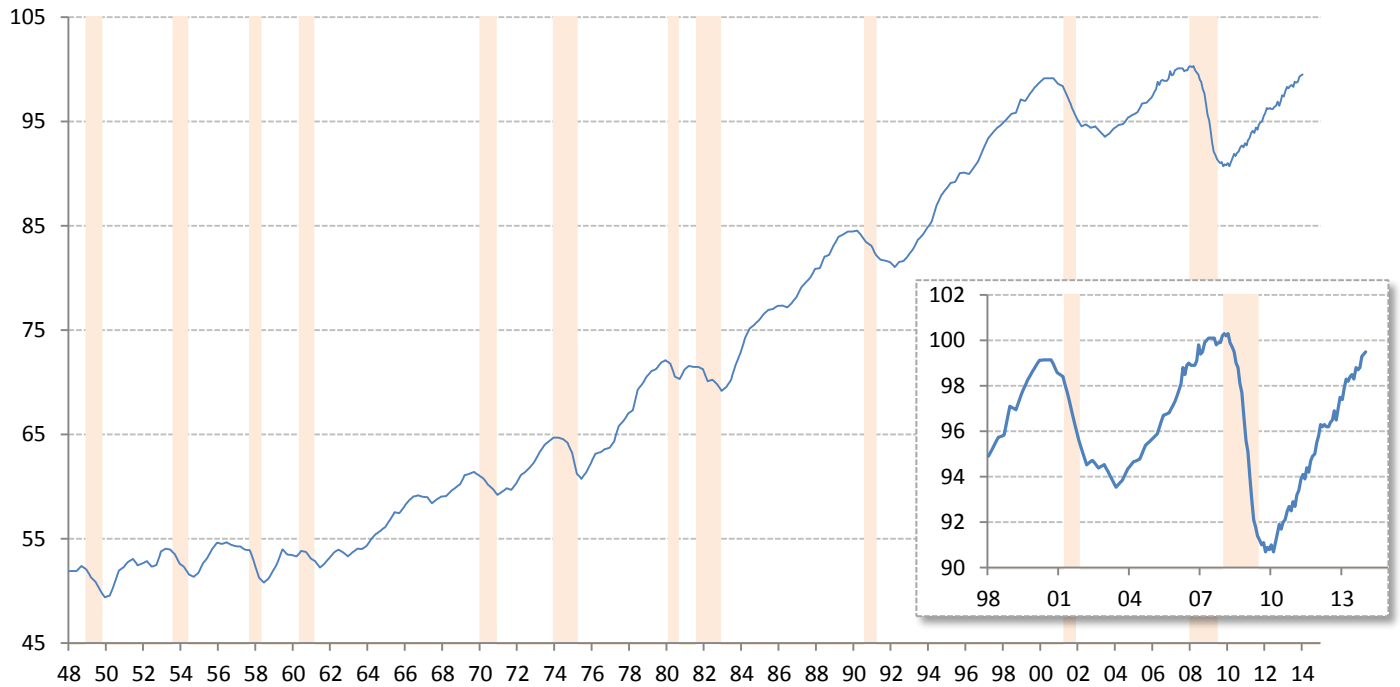
Persons available for full-time work ■ Recession



Survey, TrendMacro calculations

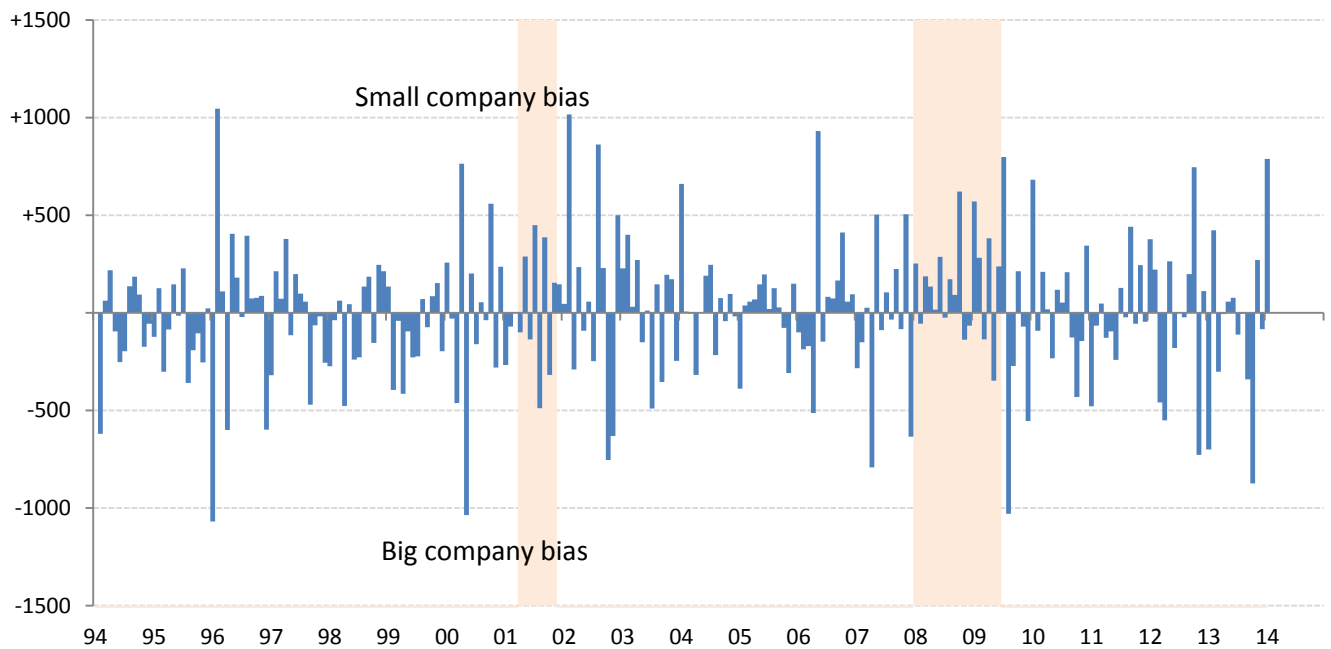
Aggregate weekly private hours-worked index

■ Recession



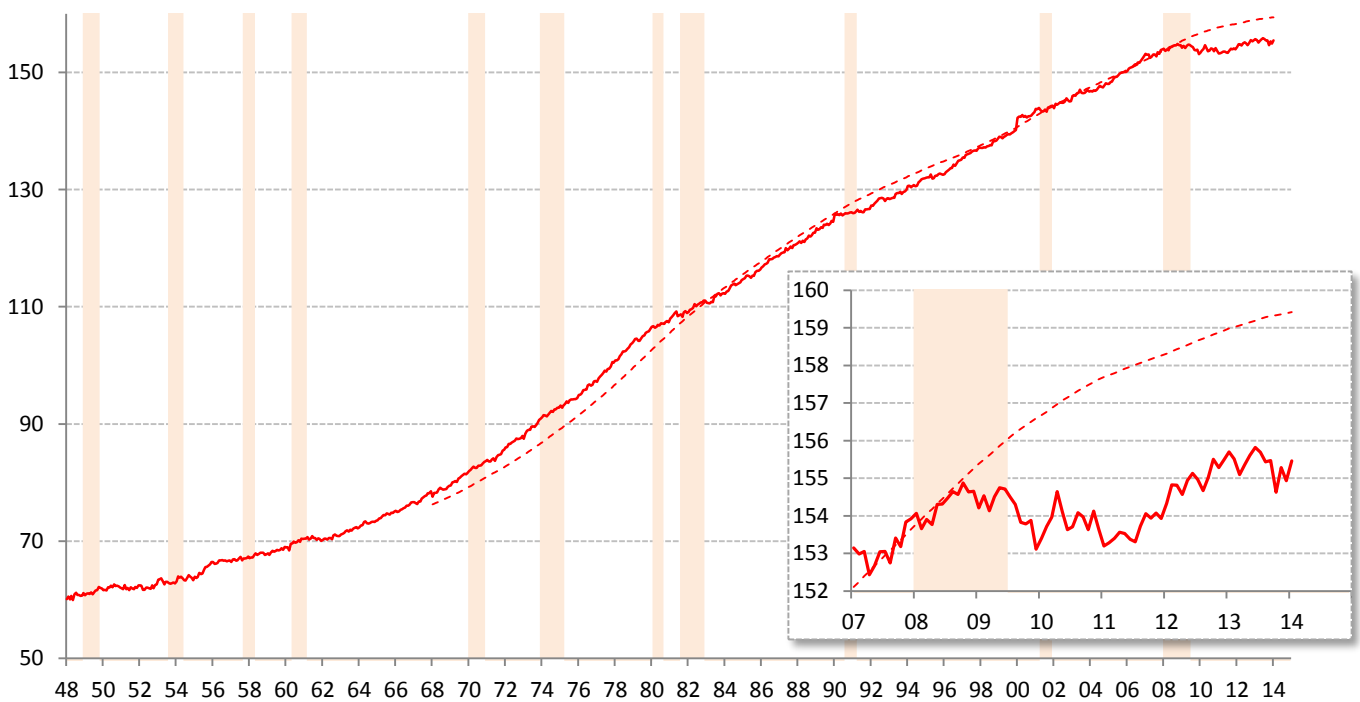
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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