






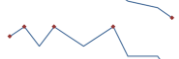





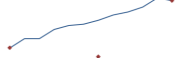




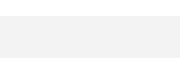


Data Insights: Jobs

Friday, October 2, 2015

Today's jobs data: what you need to know

Non-farm payrolls	Change Sep: +142	Revision Aug: -37	Revision Jul: -22	
Private payrolls	Change Sep: +118	Revision Aug: -40	Revision Jul: -29	
Employment	Change Sep: -236			
Unemployment	Change Sep: -114			
Long-term unemployment	Change Sep: -190			
Civilian labor force	Change Sep: -350	4.72 million below trend	32.6% of leavers unemployed	
Unemployment rate	Sep: 5.05%	Change Sep: -0.06%		
Underemployment rate	Sep: 10.0%	Change Sep: -0.3%		
Participation rate	Sep: 62.4%	Change Sep: -0.2%		
UE adjusted for participation	Sep: 10.2%	Change Sep: +0.23%		
Average weeks unemployed	Sep: 26.3	Change Sep: -2.1		
% longterm unemployed	Sep: 26.6%	Change Sep: -1.1%		
Aggregate hours worked index	Sep: 103.8	Change Sep: -0.2%	Revision Aug: unch	
Average hourly earnings	Sep: unch	Change Sep: -0.4%	Revision Aug: +0.1%	
Aggregate weekly earnings	Sep: 124.3	Change Sep: -0.2%	Revision Aug: unch	
Monthly job-finding probability	Sep: 33.8%	Change Sep: +3.0%		
Monthly separation probability	Sep: 1.9%	Change Sep: +0.2%		
% involuntary part-time	Sep: 4.1%	Change Sep: -0.3%		
"Household" vs "Payroll" jobs	Change Sep: +127			

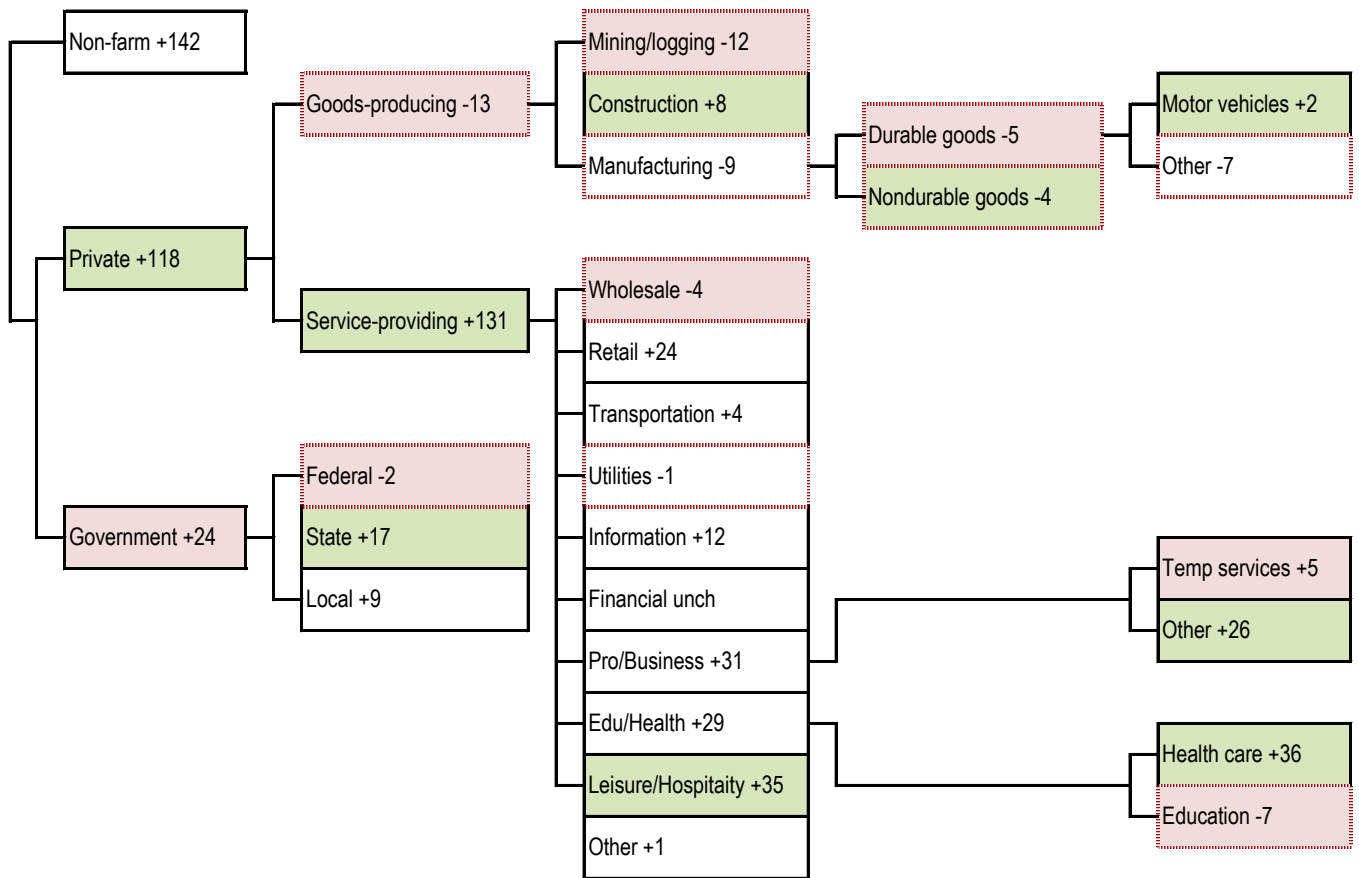
Source: Bureau of Labor Statistics, TrendMacro calculations

For more information contact us:

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

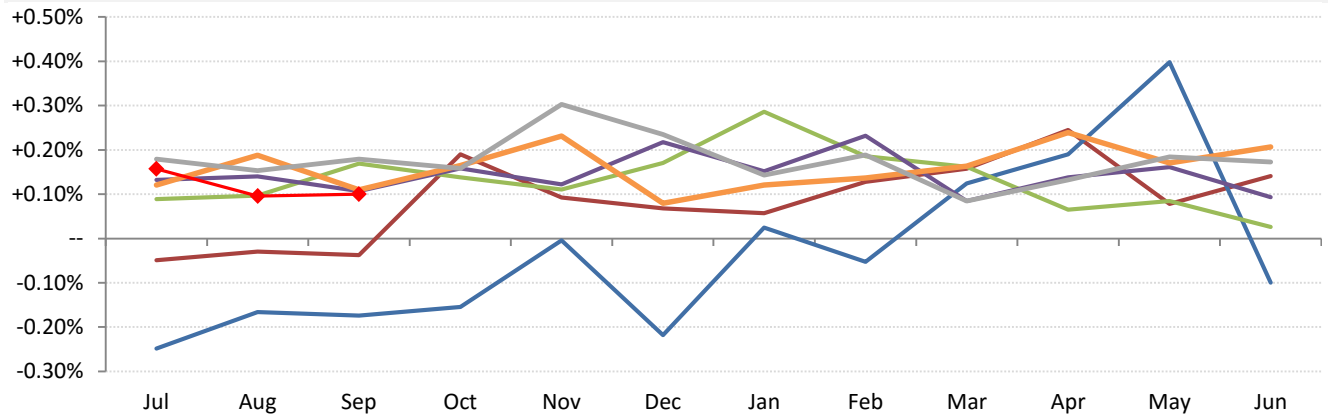
Today's payroll data: what you need to know -- where did the jobs come from?

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



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

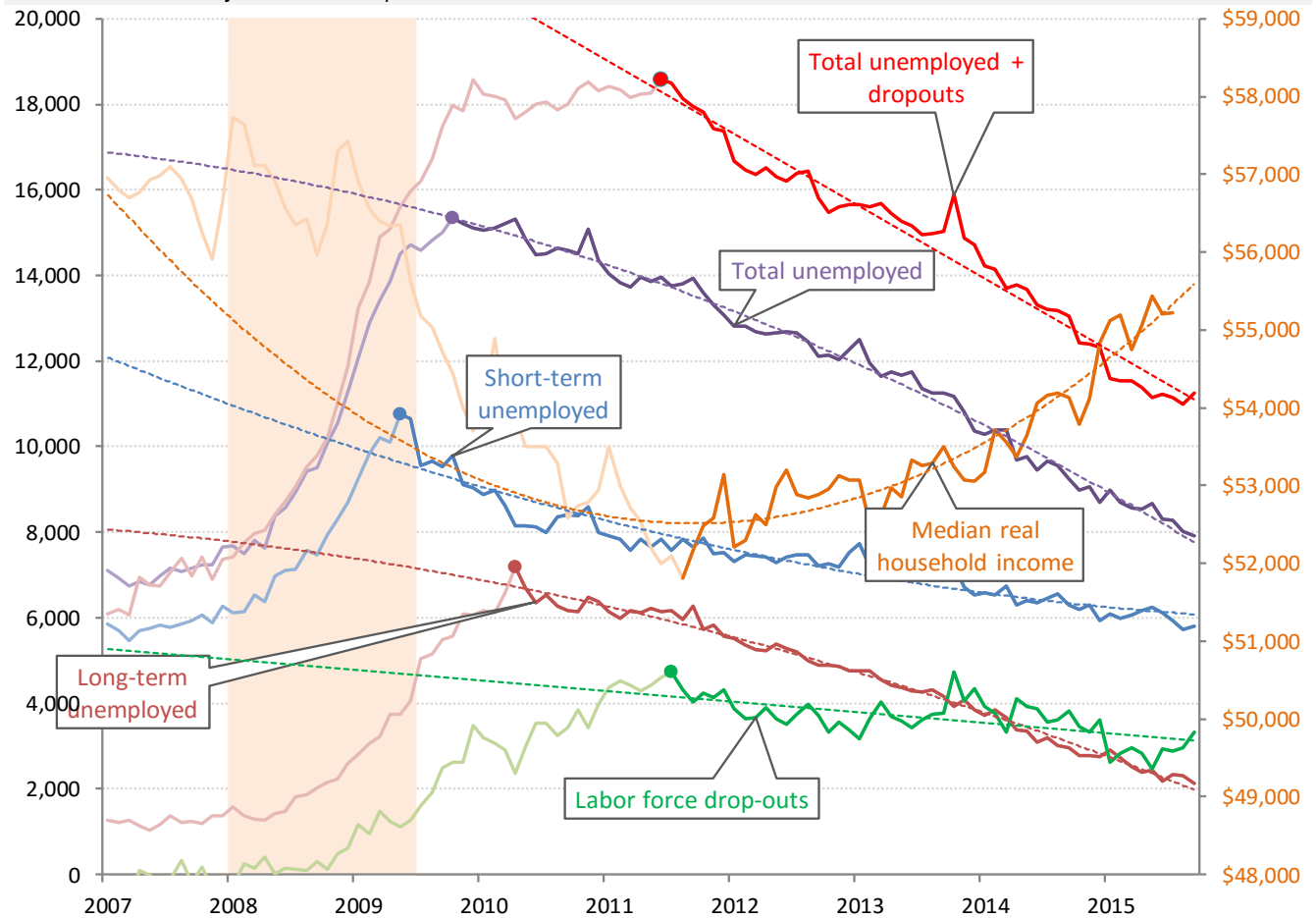
Payroll growth MOM from July — 09-10 — 10-11 — 11-12 — 12-13 — 13-14 — 14-15 — 2015-16



Source: BLS Current Population Survey, TrendMacro calculations

The ultimate jobless recovery is becoming jobful

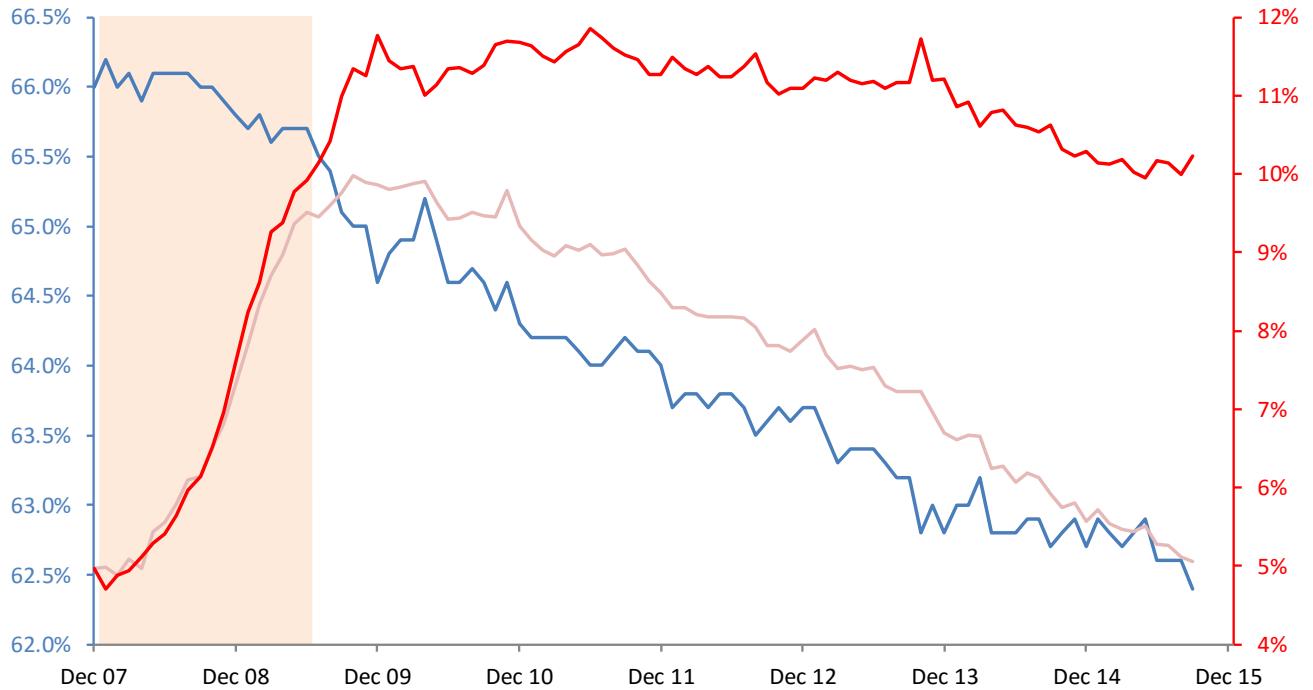
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

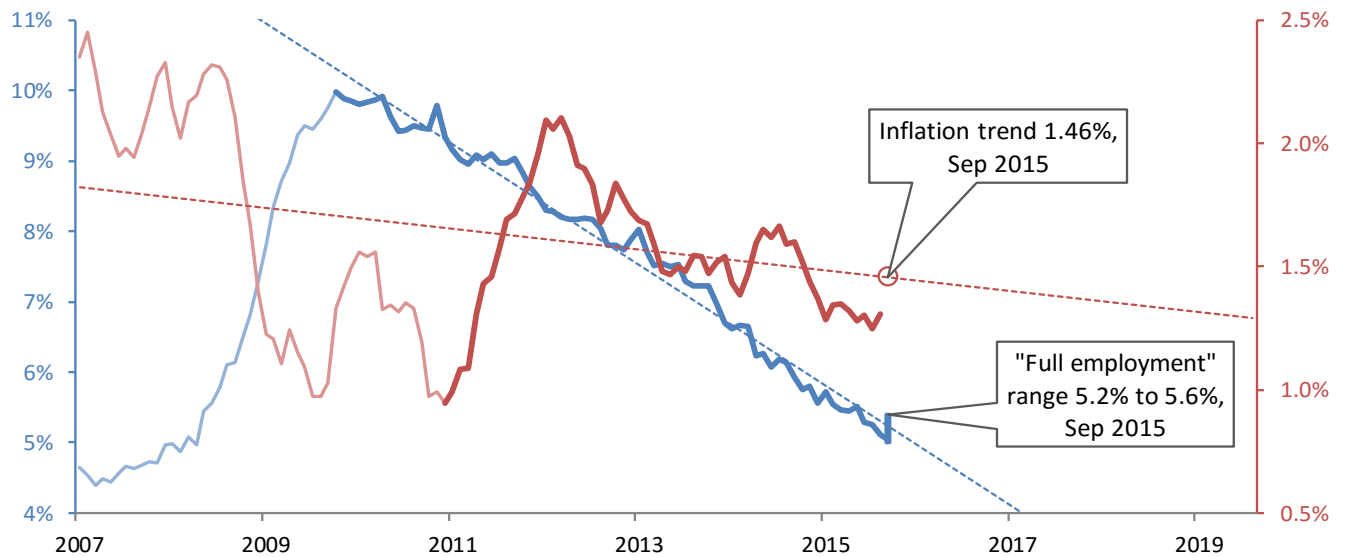
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

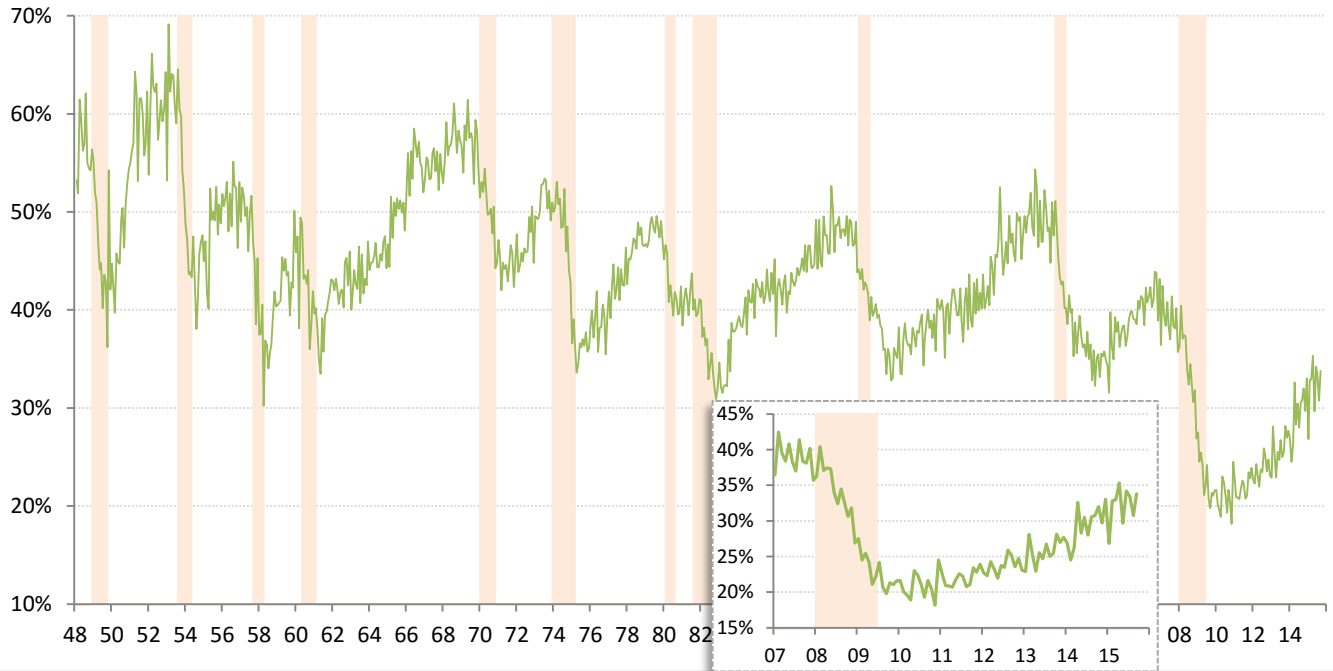
— Unemployment rate — Trend from peak — Core PCE inflation YOY — Trend from trough



Source: BLS, BEA, TrendMacro calculations

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

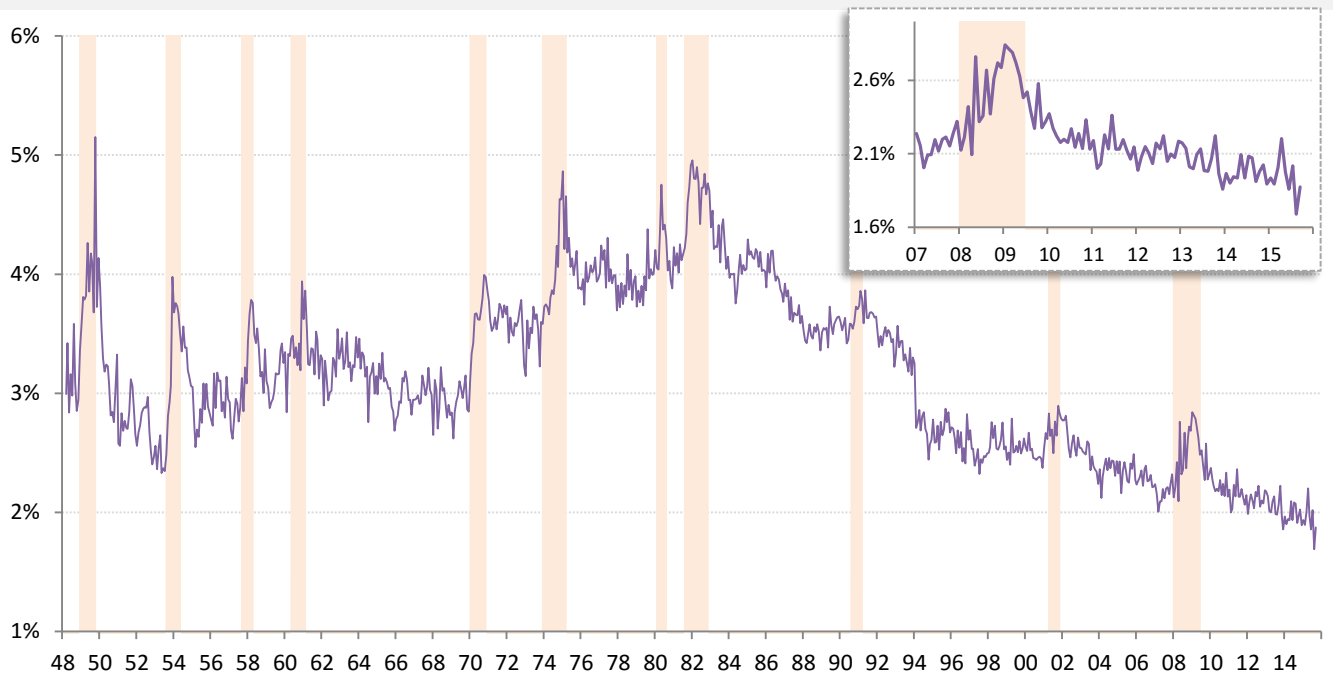
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



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

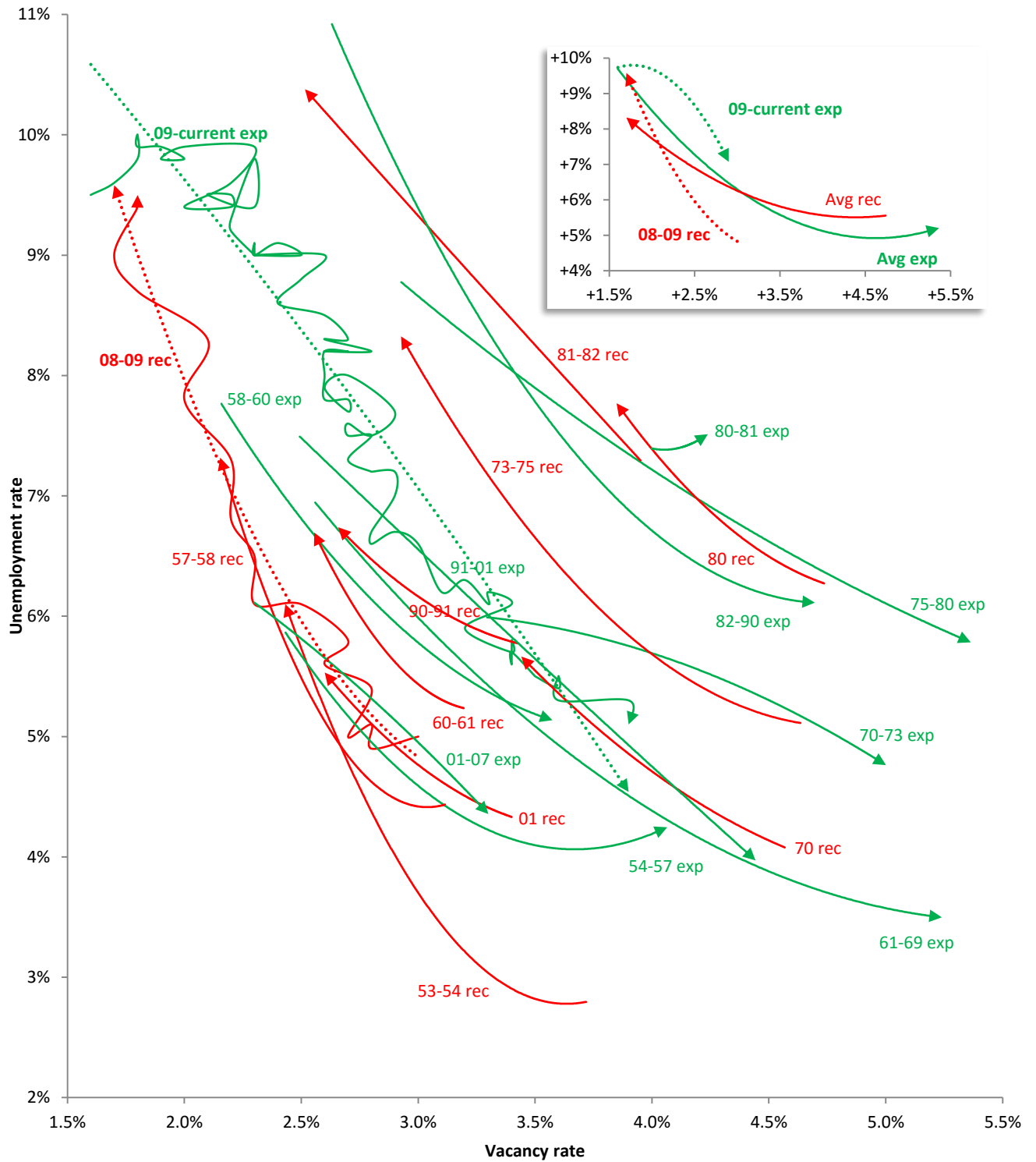


Source: BLS Current Population Survey, TrendMacro calculations

The Beveridge Curve

Cycle relationship between unemployment and job openings

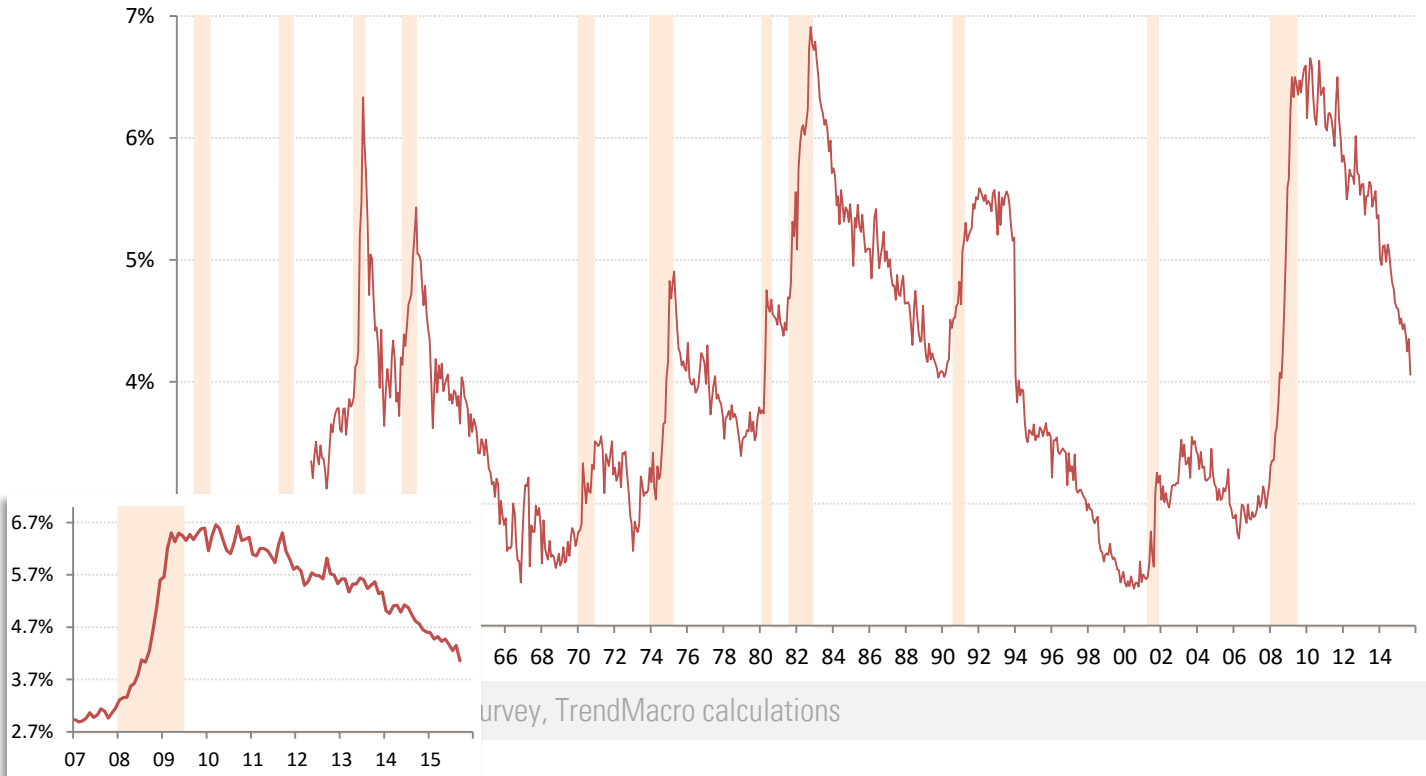
— Expansion — Recession Polynomial trend (order 2), plus monthly plots for 09-current expansion • Latest



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

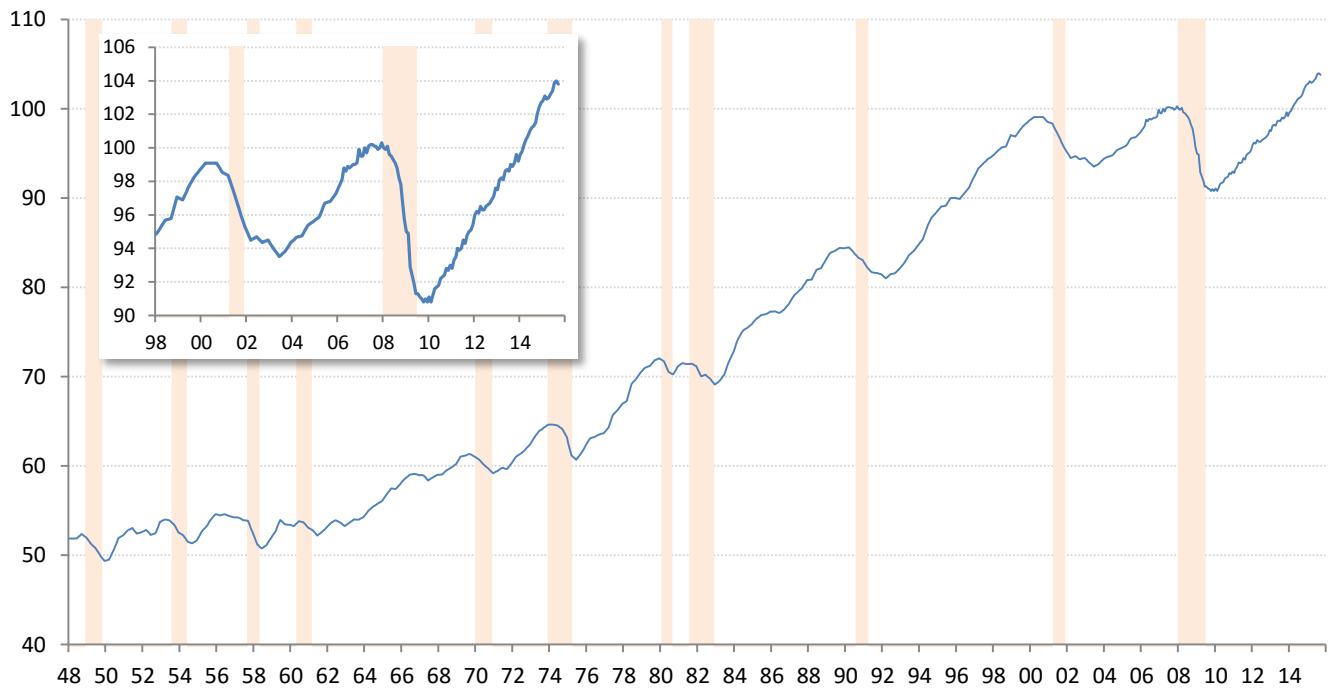
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



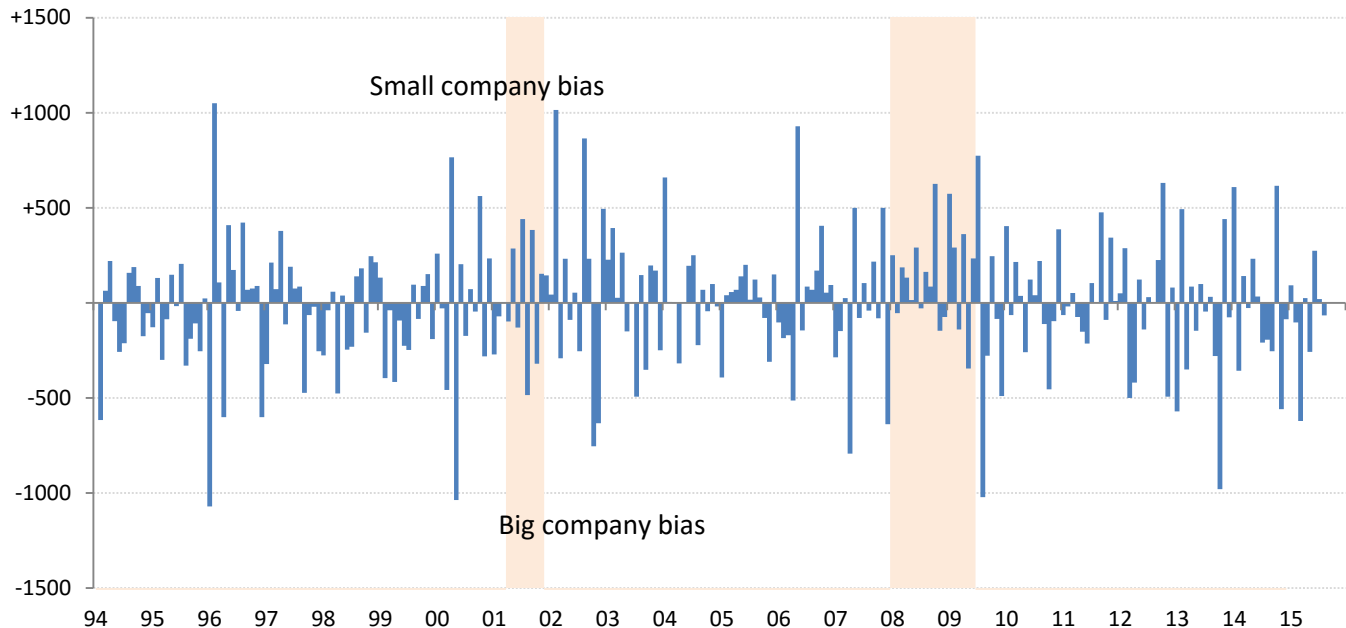
Aggregate weekly private hours-worked index

■ Recession



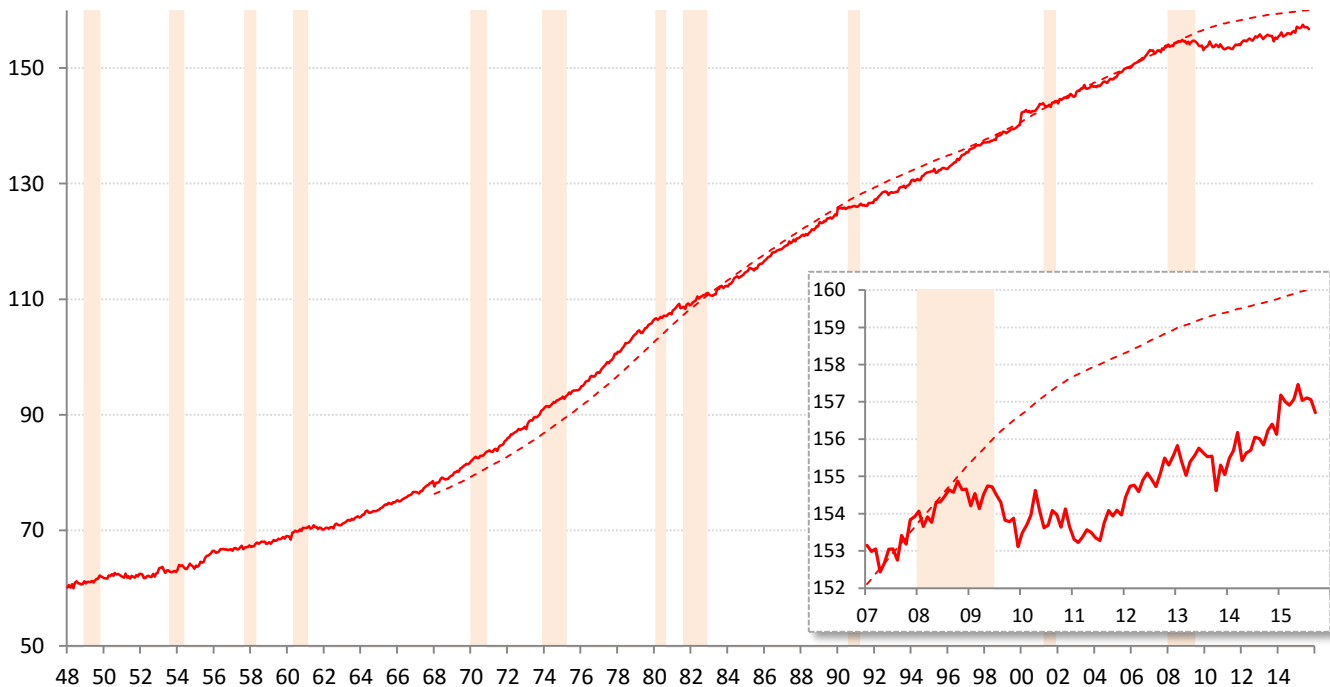
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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