





## Data Insights: Jobs

Thursday, July 2, 2020

### Today's jobs data: what you need to know

<b>Non-farm payrolls</b>	Change Jun: +4800	Revision May: +190	Revision Apr: -100	
<b>Private payrolls</b>	Change Jun: +4767	Revision May: +138	Revision Apr: -111	
<b>Employment</b>	Change Jun: +4940			
<b>Unemployment</b>	Change Jun: -3235			
<b>Long-term unemployment</b>	Change Jun: +295			
<b>Civilian labor force</b>	Change Jun: +1705	3.27 million below trend	More than all entrants employed	
<b>Unemployment rate</b>	Jun: 11.10%	Change Jun: -2.16%		
<b>Underemployment rate</b>	Jun: 18.0%	Change Jun: -3.2%		
<b>Participation rate</b>	Jun: 61.5%	Change Jun: +0.7%		
<b>UE adjusted for participation</b>	Jun: 17.2%	Change Jun: -2.94%		
<b>Average weeks unemployed</b>	Jun: 15.7	Change Jun: +5.8		
<b>% longterm unemployed</b>	Jun: 7.9%	Change Jun: +2.3%		
<b>Aggregate hours worked index</b>	Jun: 100.9	Change Jun: +3.6%	Revision May: +0	
<b>Average hourly earnings</b>	Jun: -1.18%	Change Jun: -0.15%	Revision May: -0.07%	
<b>Aggregate weekly earnings</b>	Jun: 141.7	Change Jun: +2.5%	Revision May: +0.1	
<b>Monthly job-finding probability</b>	Jun: 28.9%	Change Jun: +3.1%		
<b>Monthly separation probability</b>	Jun: 2.4%	Change Jun: -0.2%		
<b>% involuntary part-time</b>	Jun: 6.4%	Change Jun: -1.4%		
<b>"Household" vs "Payroll" jobs</b>	Change Jun: +2799			

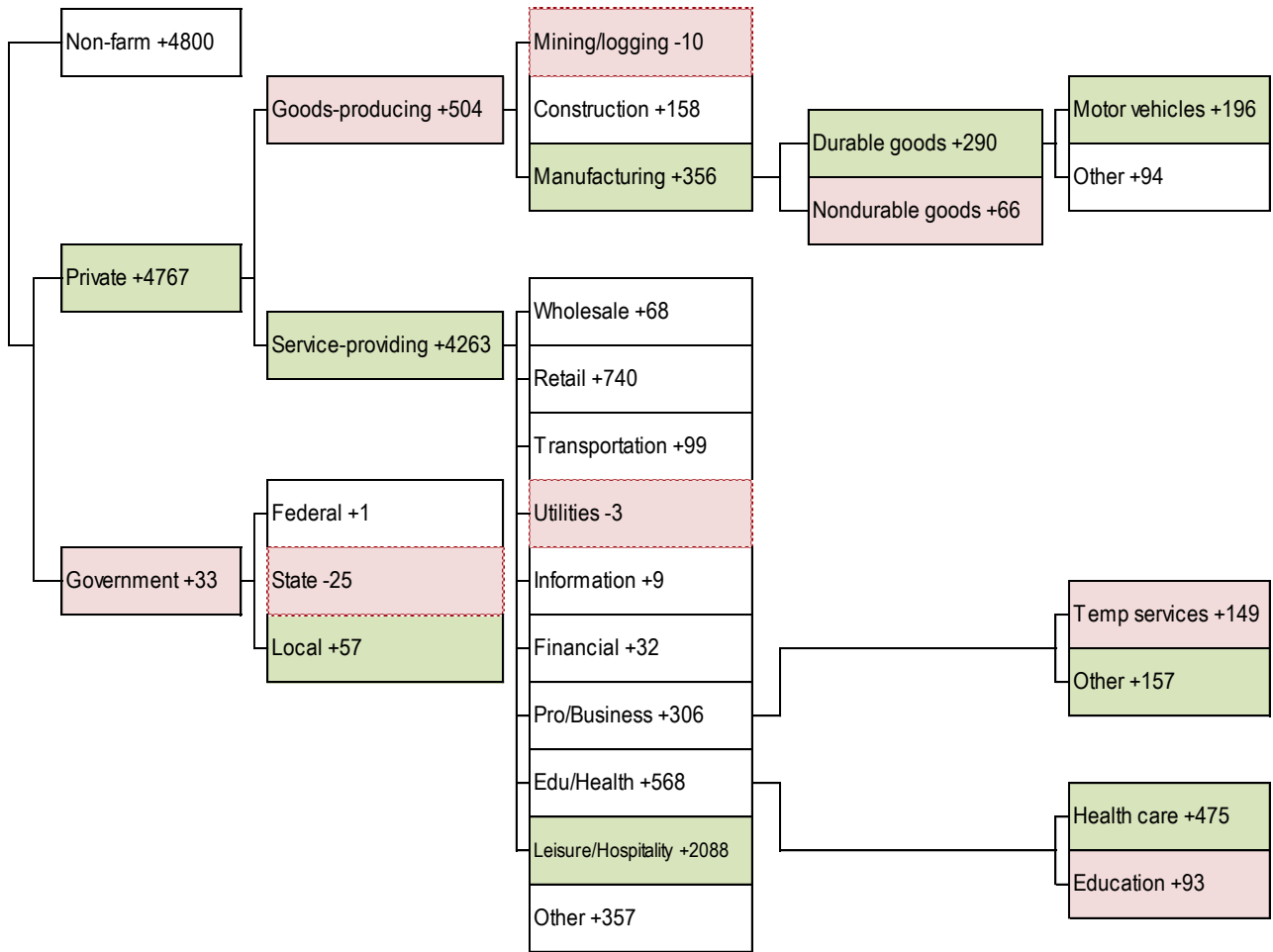
Source: Bureau of Labor Statistics, TrendMacro calculations

#### For more information contact us:

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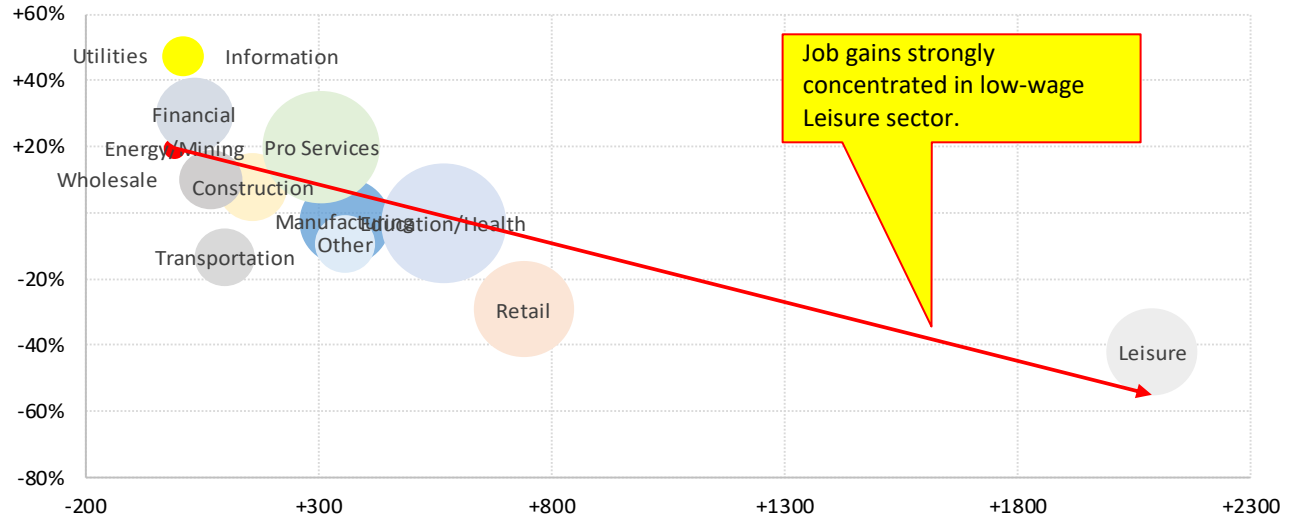
# Today's payroll data: what you need to know -- where did the jobs come from?

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



## Where is the pay coming from?

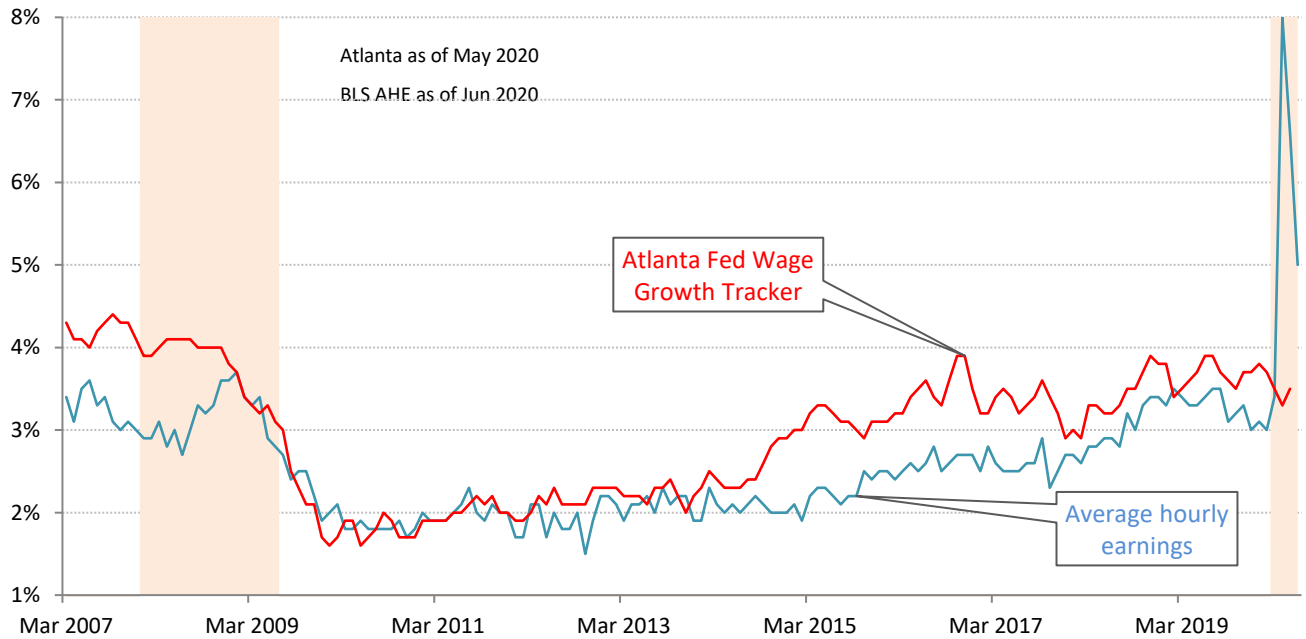
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

# Solving the wage-growth puzzle

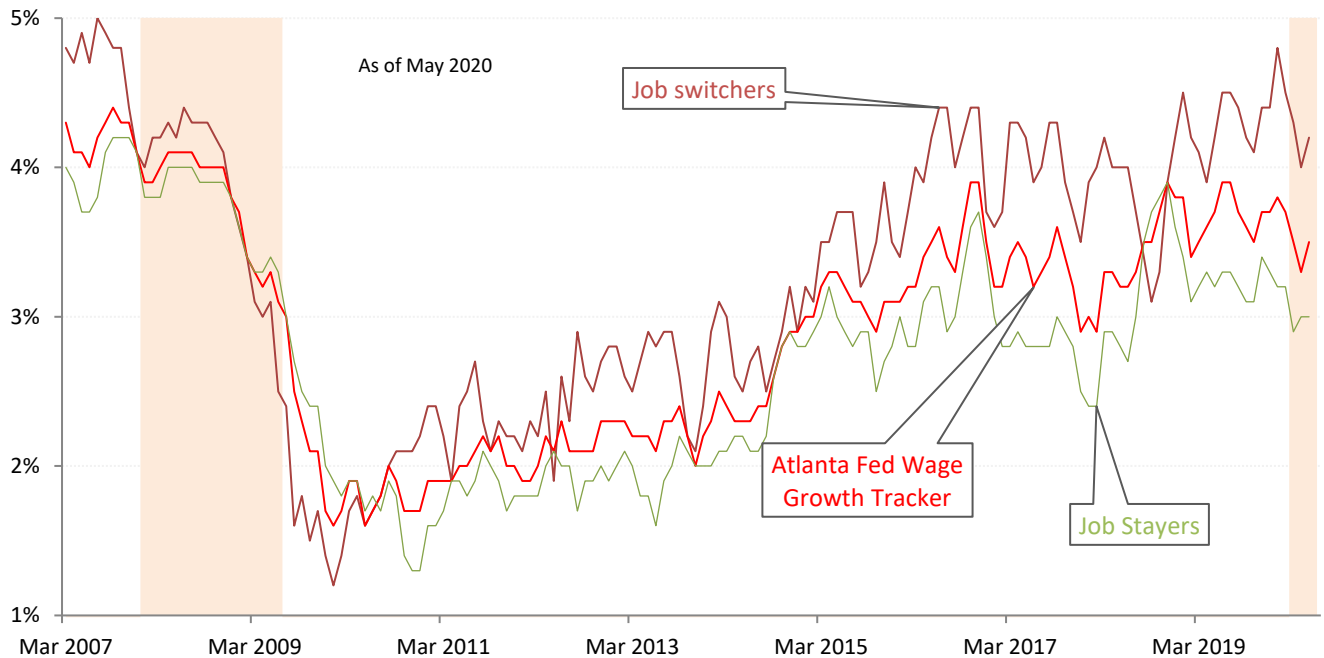
YOY average hourly earnings growth Atlanta Fed Wage Growth Index   Recession



Source: BLS Current Employment Statistics, Atlanta Federal Reserve Bank, TrendMacro calculations

# The wages of dynamism

YOY wage growth for steady employees, versus those who change jobs   Recession

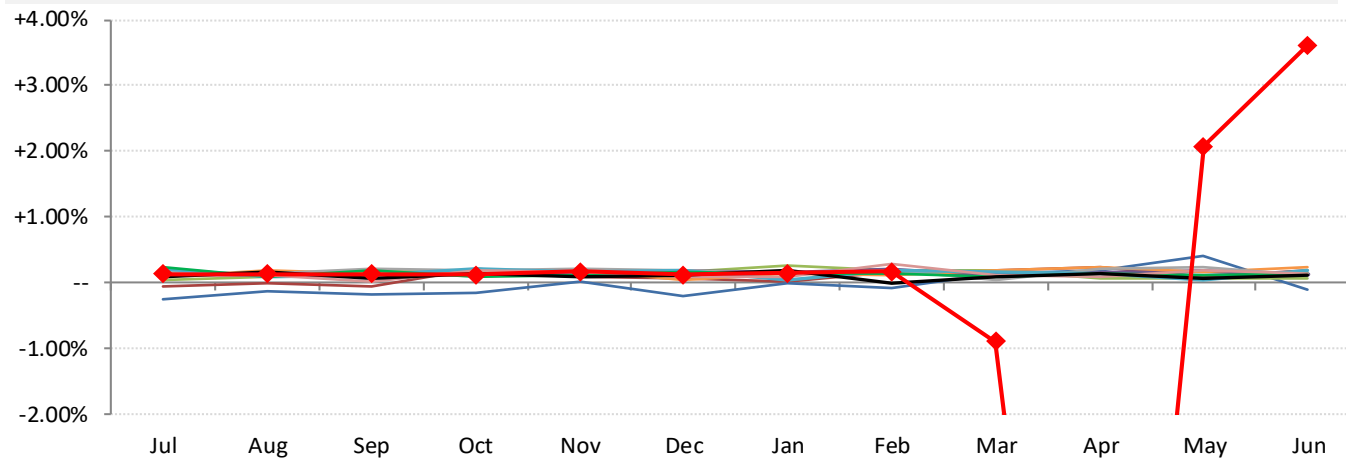


Source: Atlanta Federal Reserve Bank, TrendMacro calculations

## 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 — 17-18 — 18-19 ◆ 2019-2020

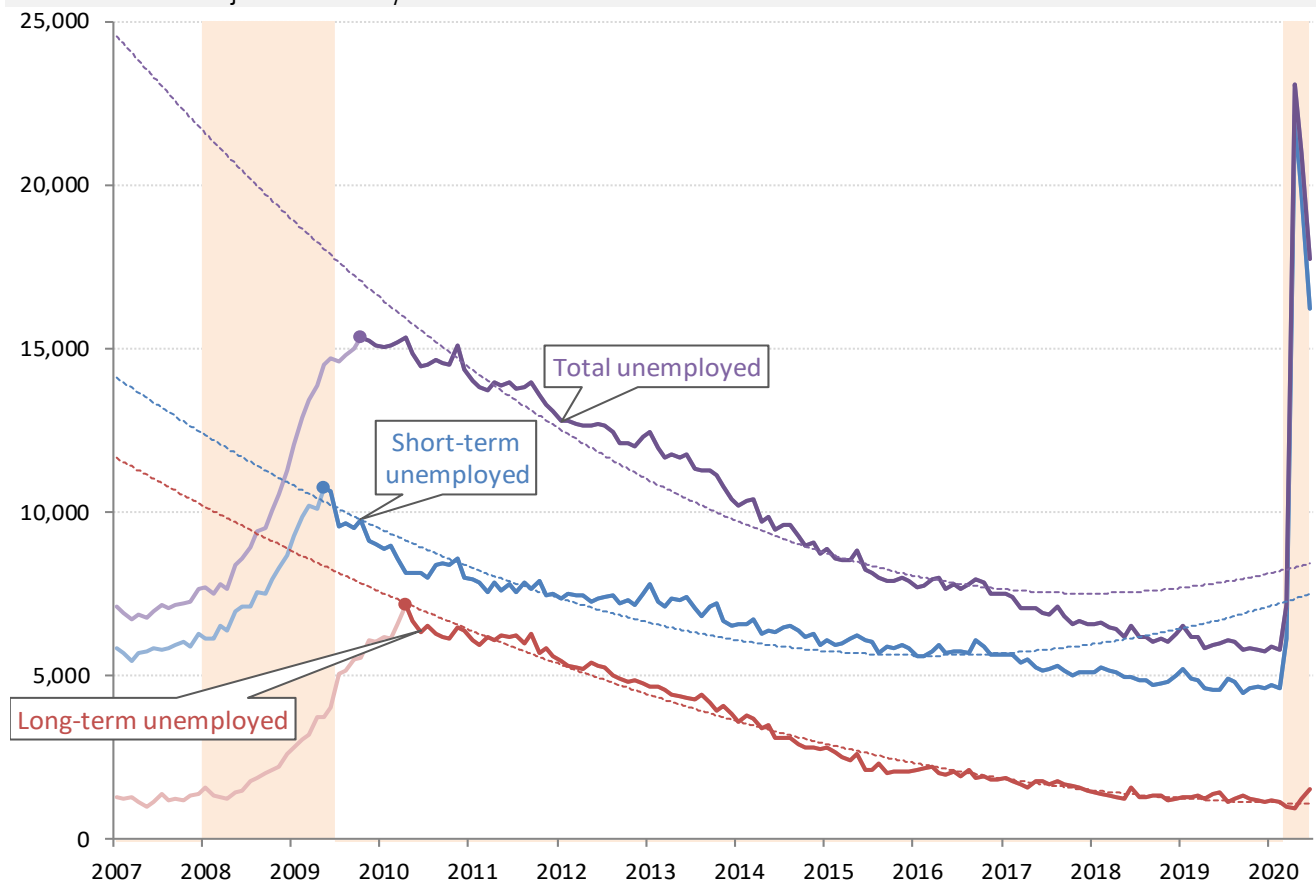


Source: BLS Current Population Survey, TrendMacro calculations

## How the ultimate jobless recovery became jobful

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

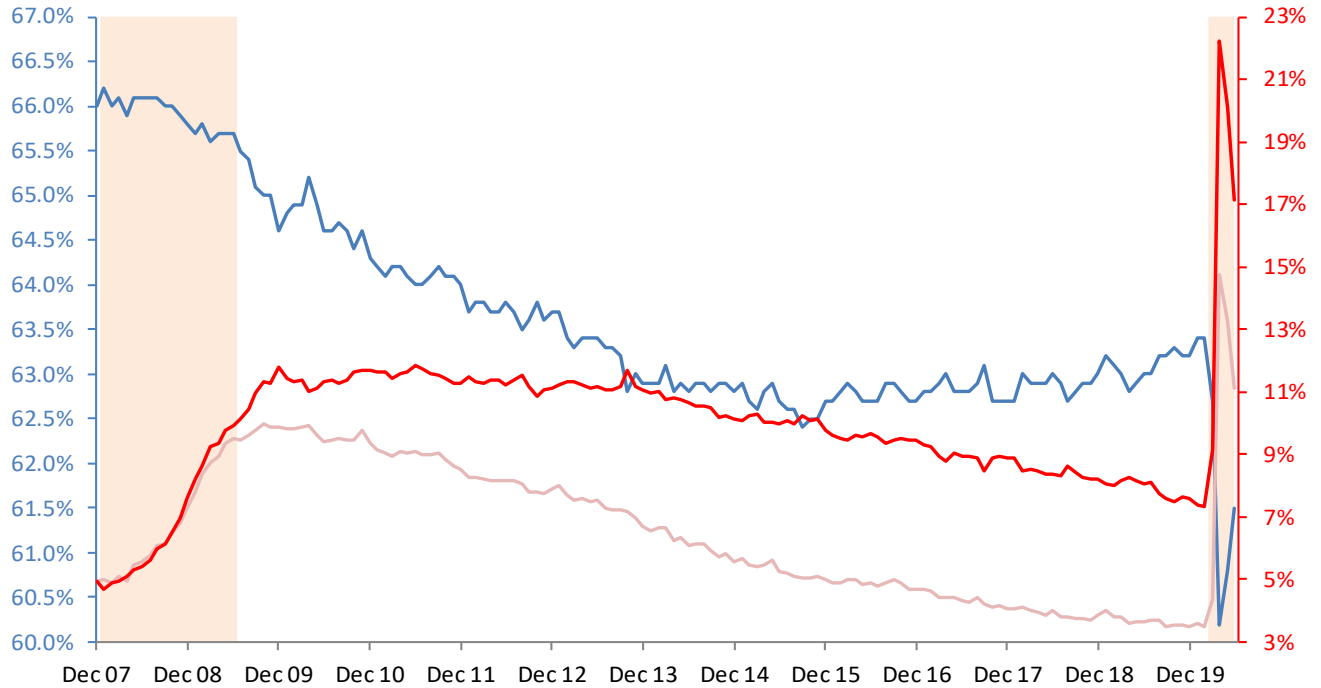
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

## Unemployment rate normalized for participation rate December 2007

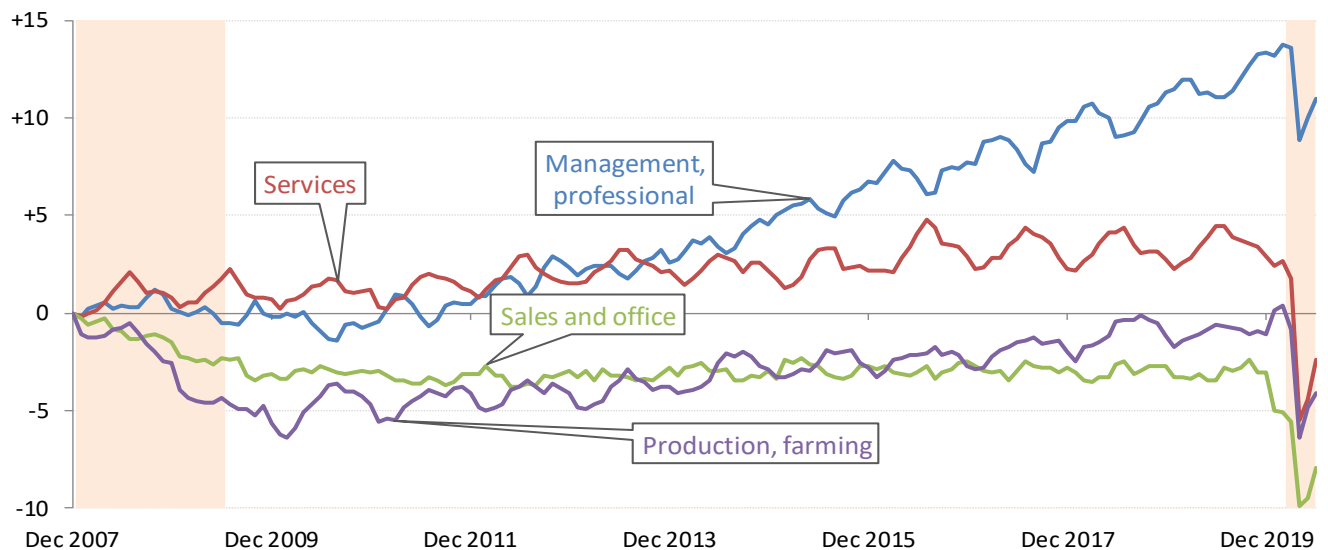
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

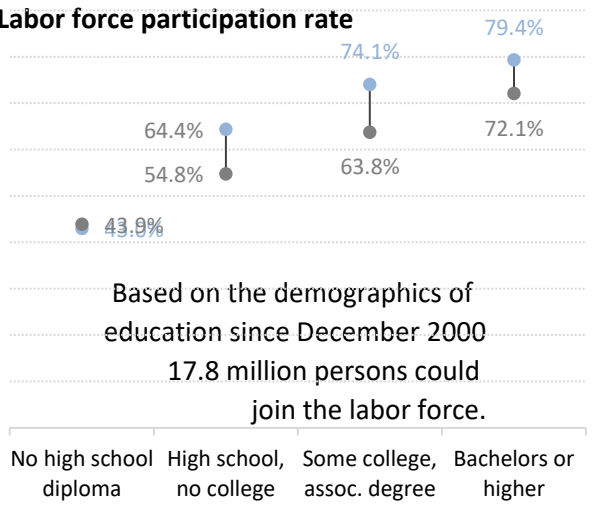
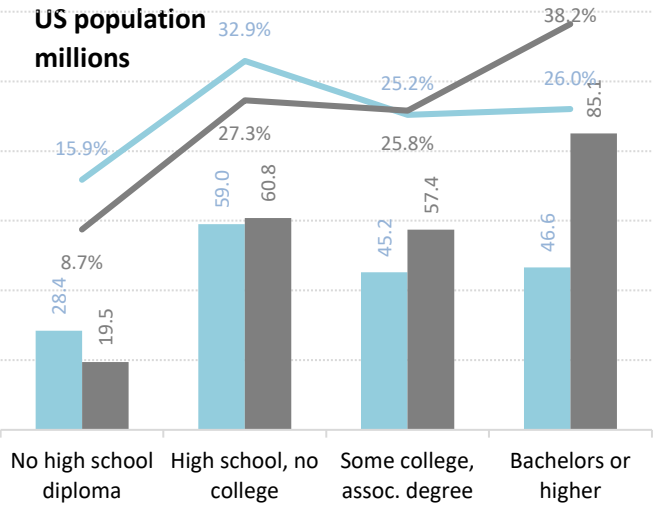
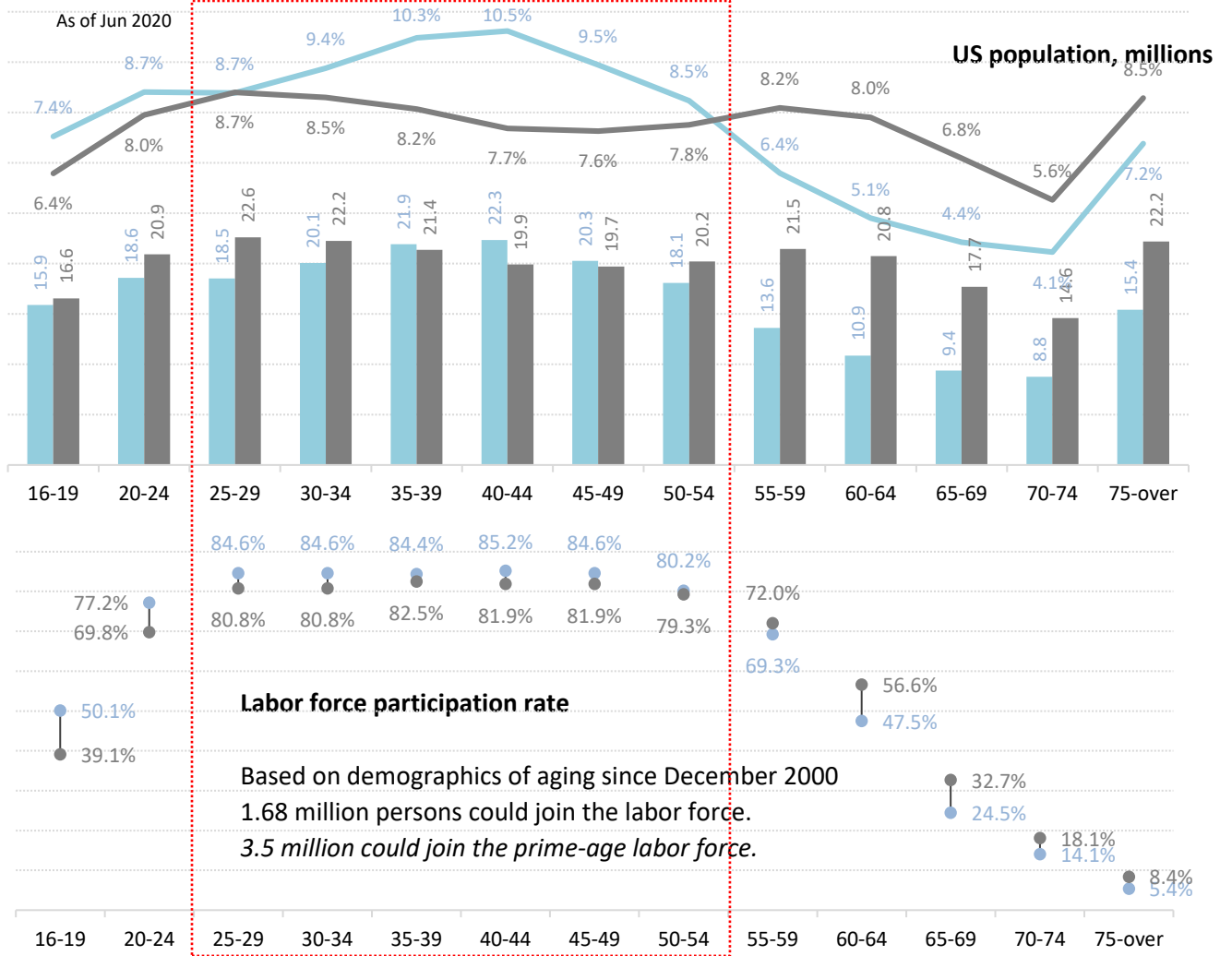
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

# US labor force demographics: fading baby boom and its well-educated echo

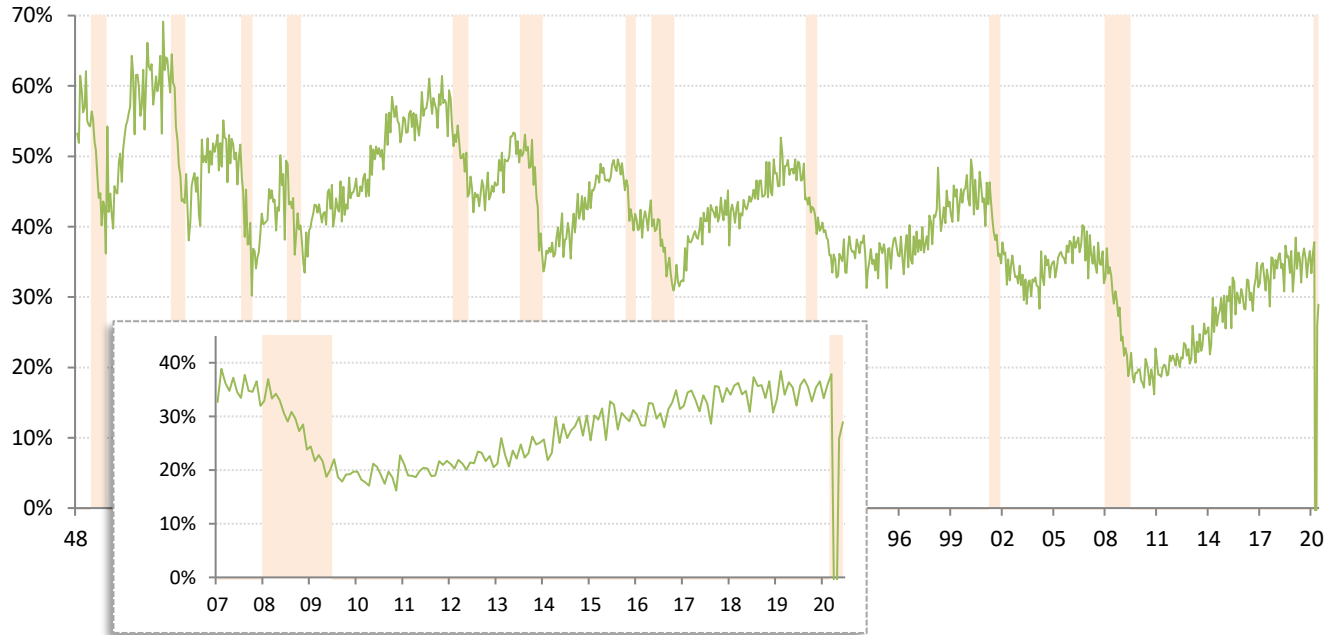
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

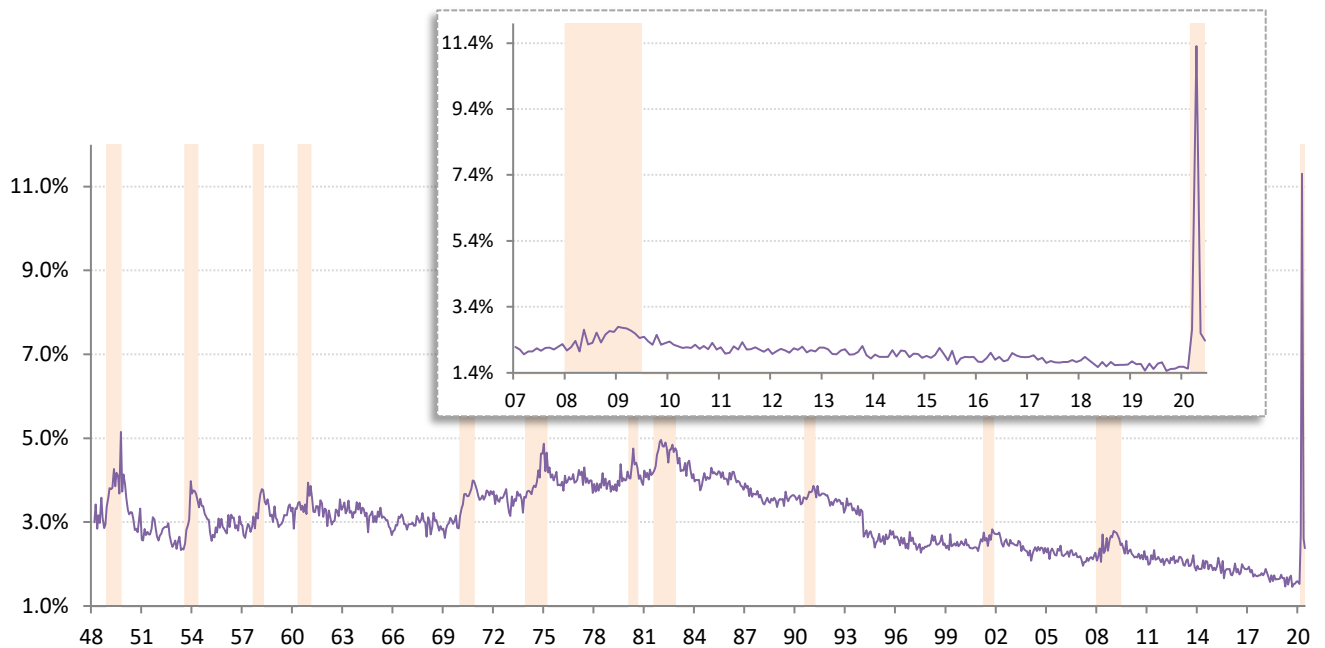
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

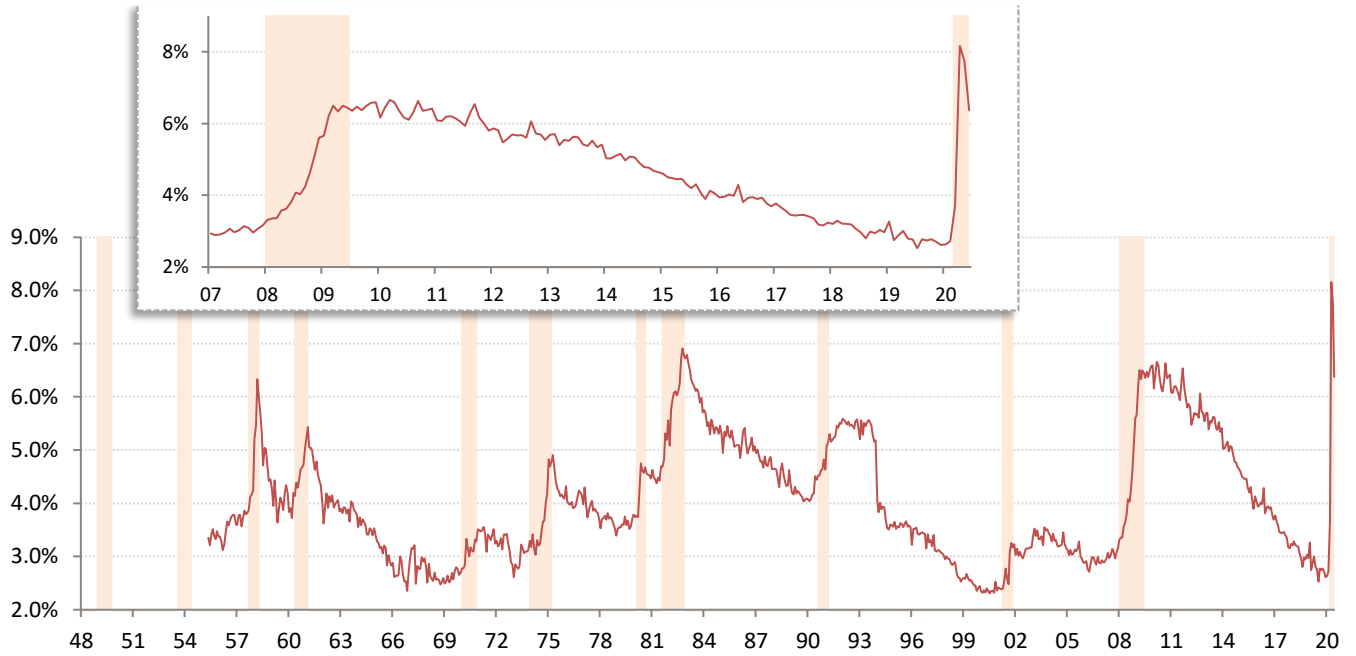
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

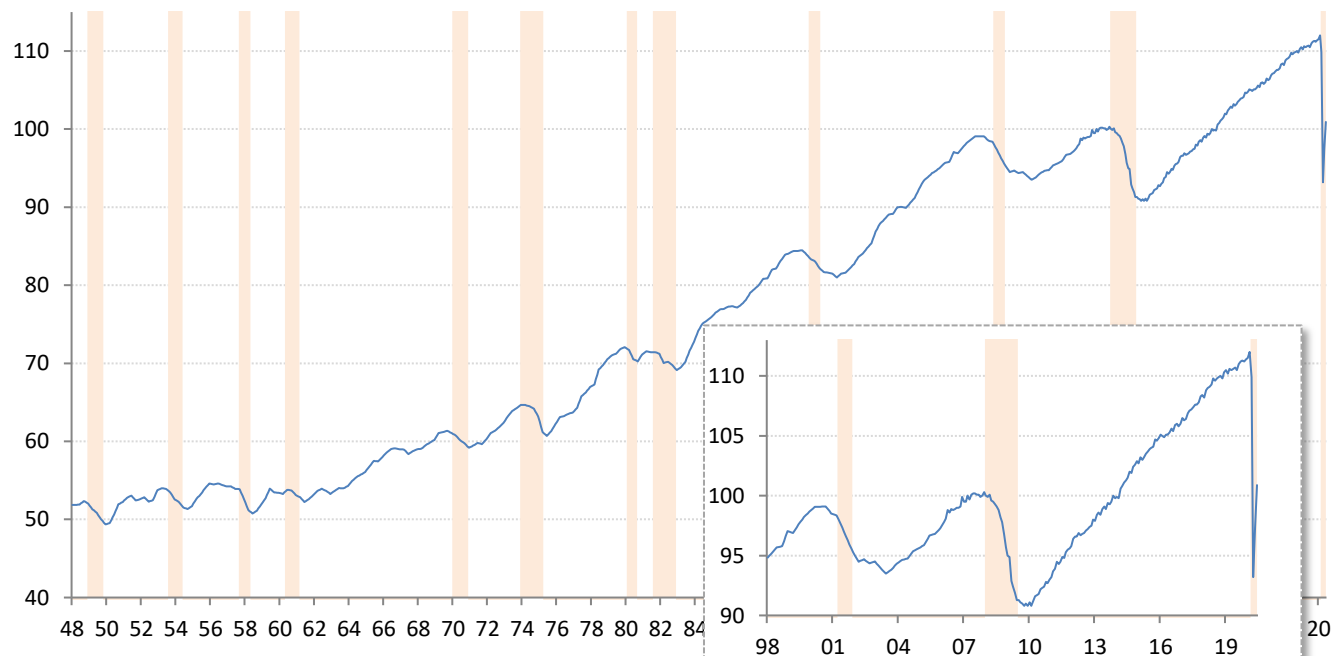
## Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations

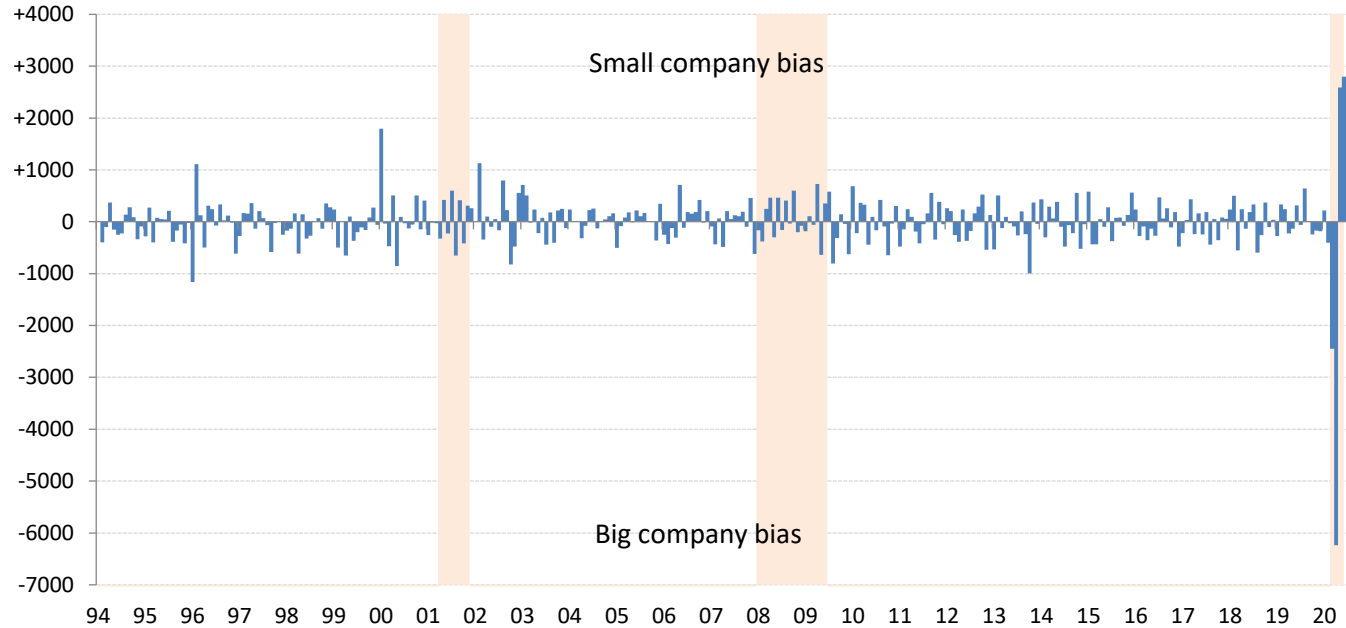
## Aggregate weekly private hours-worked index ■ Recession



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

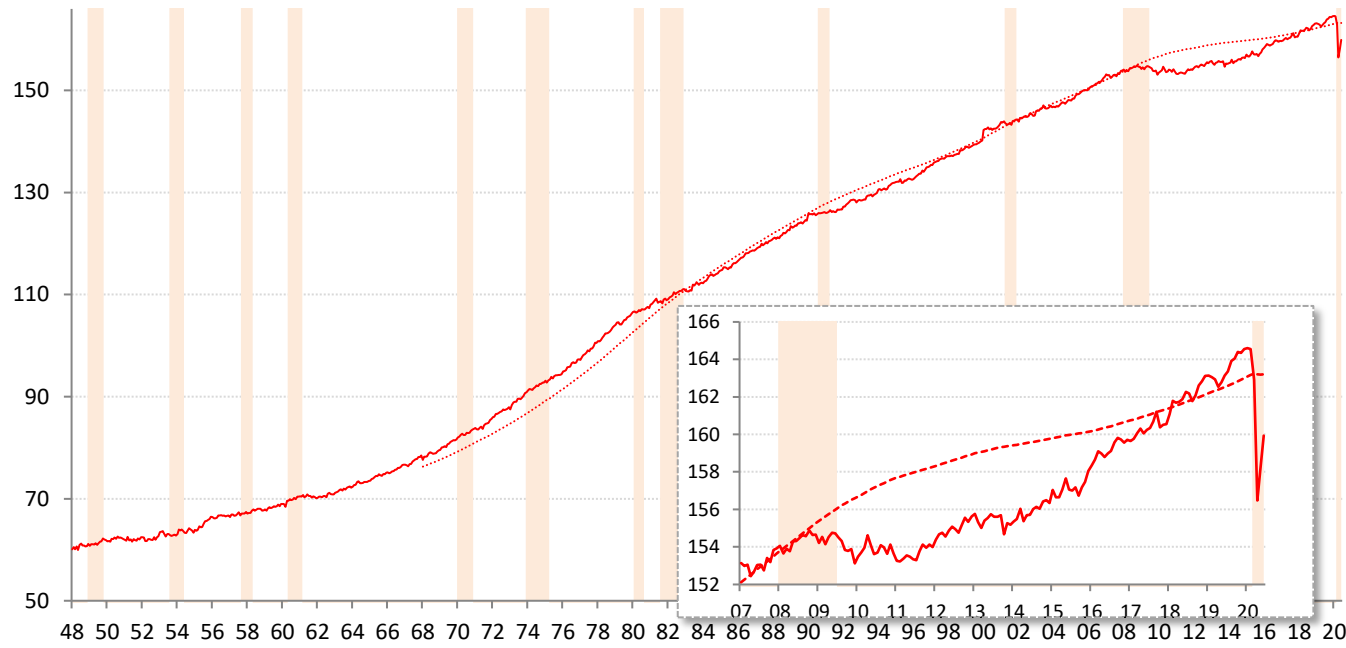


Difference in employment change: "household" minus "payroll" surveys ■ Recession



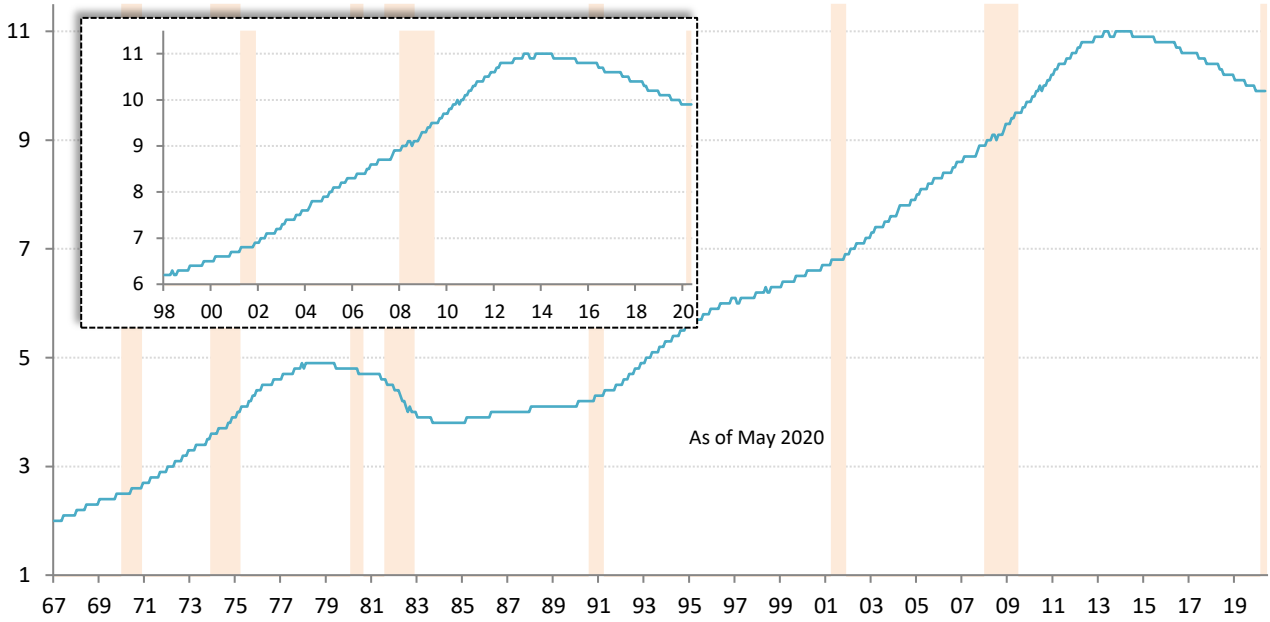
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

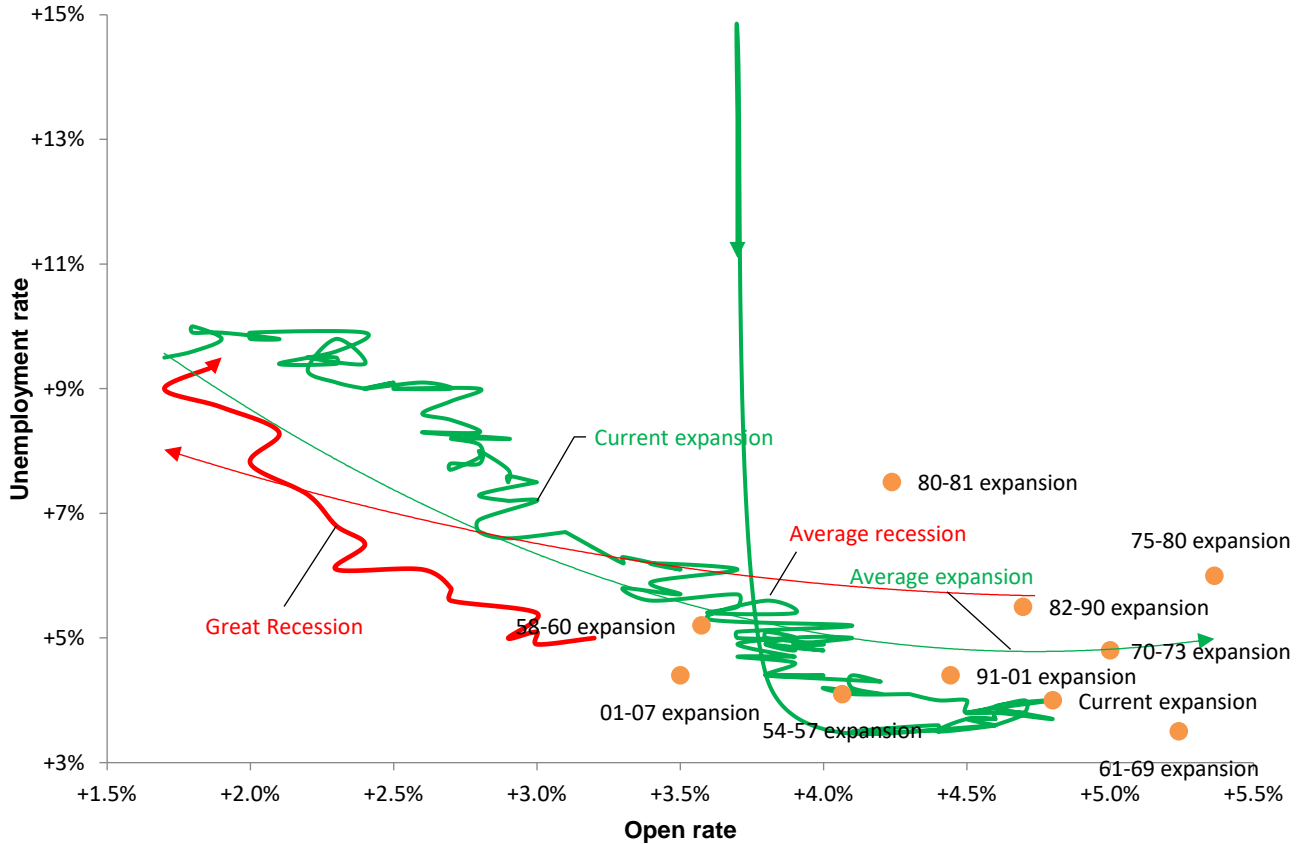


Source: BLS Current Population Survey, TrendMacro calculations

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



Running out of workers? The Beveridge Curve Cycle relationship between unemployment and job openings



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