










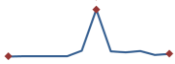

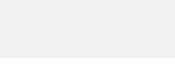


Data Insights: Jobs

Friday, October 2, 2020

Today's jobs data: what you need to know

Non-farm payrolls	Change Sep: +661	Revision Aug: +118	Revision Jul: +27	
Private payrolls	Change Sep: +877	Revision Aug: -5	Revision Jul: +45	
Employment	Change Sep: +275			
Unemployment	Change Sep: -970			
Long-term unemployment	Change Sep: +760			
Civilian labor force	Change Sep: -695	3.11 million below trend	More than all leavers unemployed	
Unemployment rate	Sep: 7.86%	Change Sep: -0.57%		
Underemployment rate	Sep: 12.8%	Change Sep: -1.4%		
Participation rate	Sep: 61.4%	Change Sep: -0.3%		
UE adjusted for participation	Sep: 14.3%	Change Sep: -0.11%		
Average weeks unemployed	Sep: 20.7	Change Sep: +0.5		
% longterm unemployed	Sep: 19.1%	Change Sep: +7.1%		
Aggregate hours worked index	Sep: 104.5	Change Sep: +1.1%	Revision Aug: -0	
Average hourly earnings	Sep: +0.07%	Change Sep: -0.27%	Revision Aug: -0.03%	
Aggregate weekly earnings	Sep: 147.2	Change Sep: +1.1%	Revision Aug: -0.4	
Monthly job-finding probability	Sep: 26.0%	Change Sep: -5.0%		
Monthly separation probability	Sep: 2.1%	Change Sep: +0.2%		
% involuntary part-time	Sep: 4.3%	Change Sep: -0.9%		
"Household" vs "Payroll" jobs	Change Sep: -909			

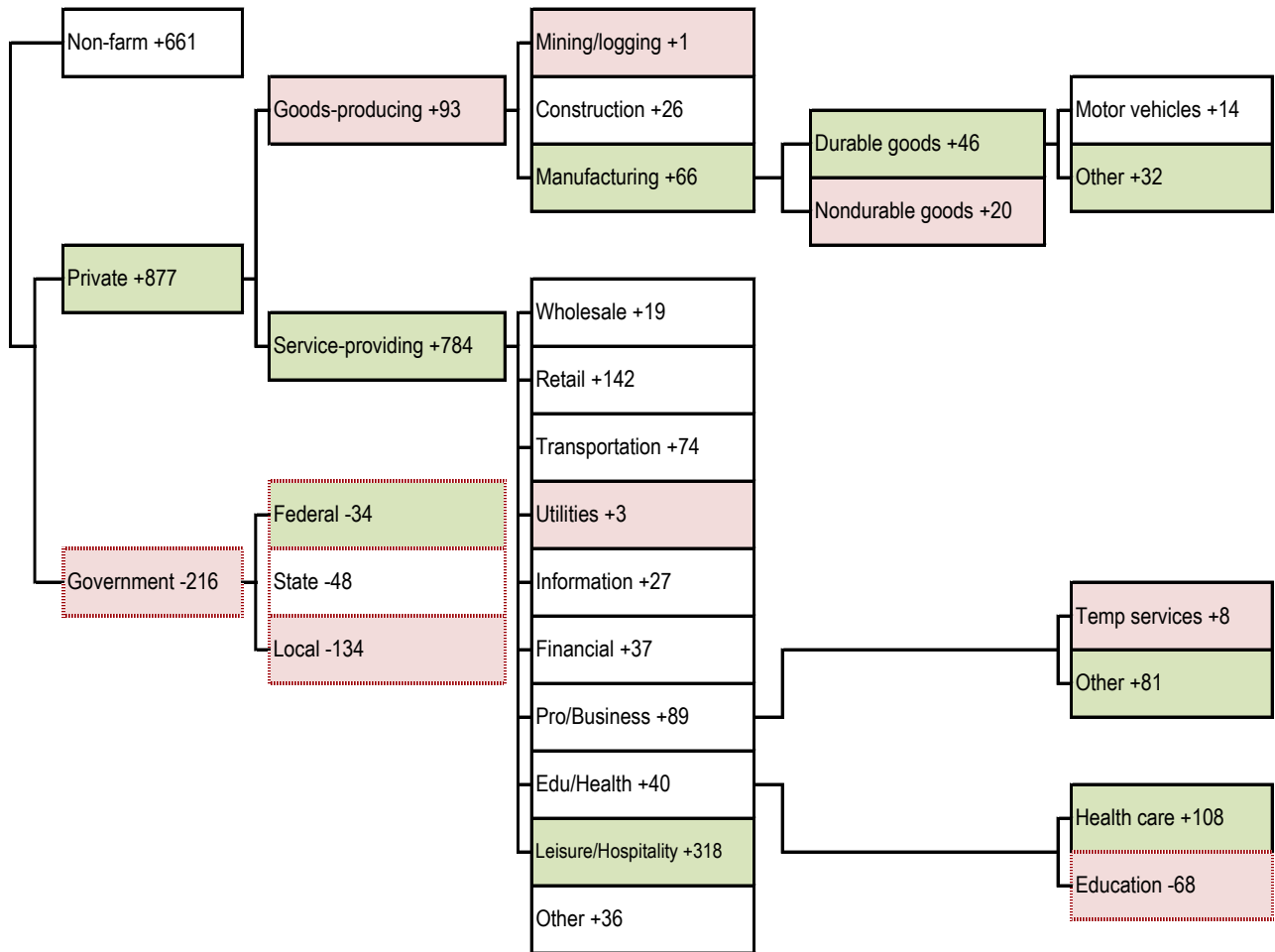
Source: Bureau of Labor Statistics, TrendMacro calculations

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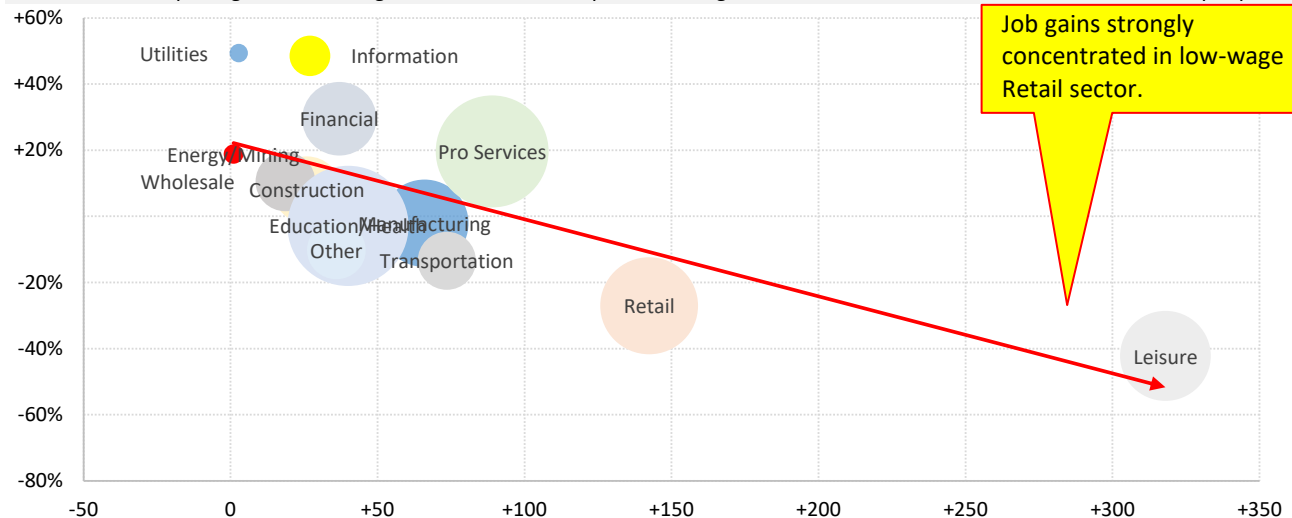
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

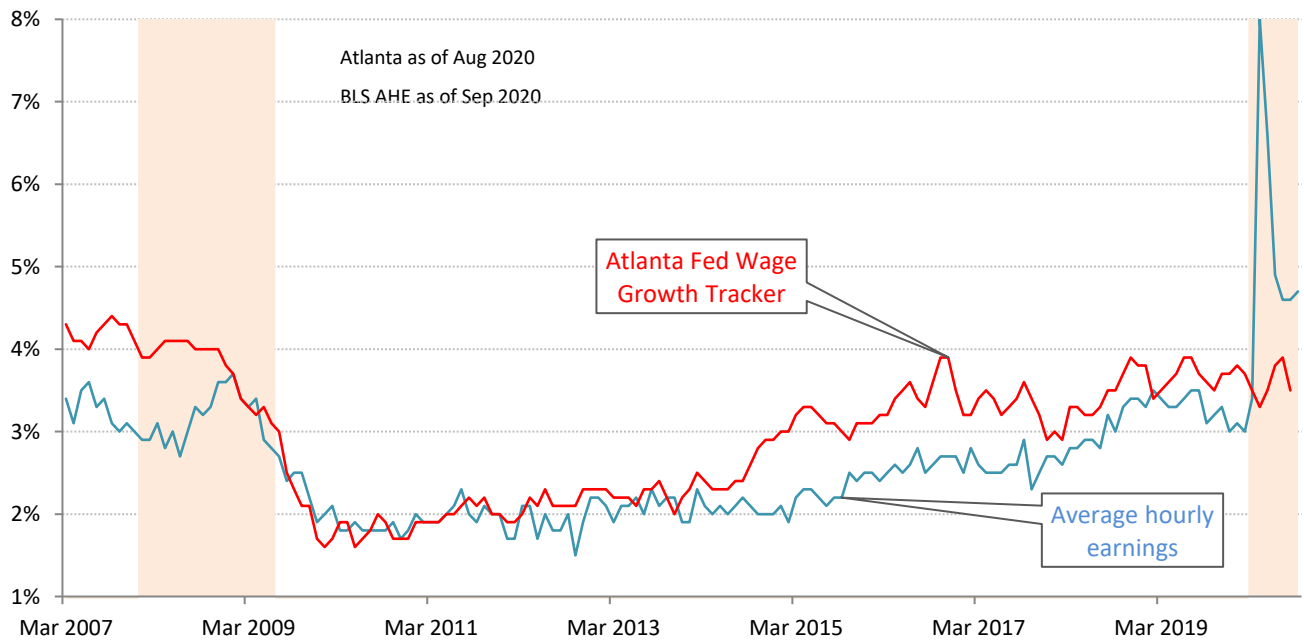
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

Solving the wage-growth puzzle

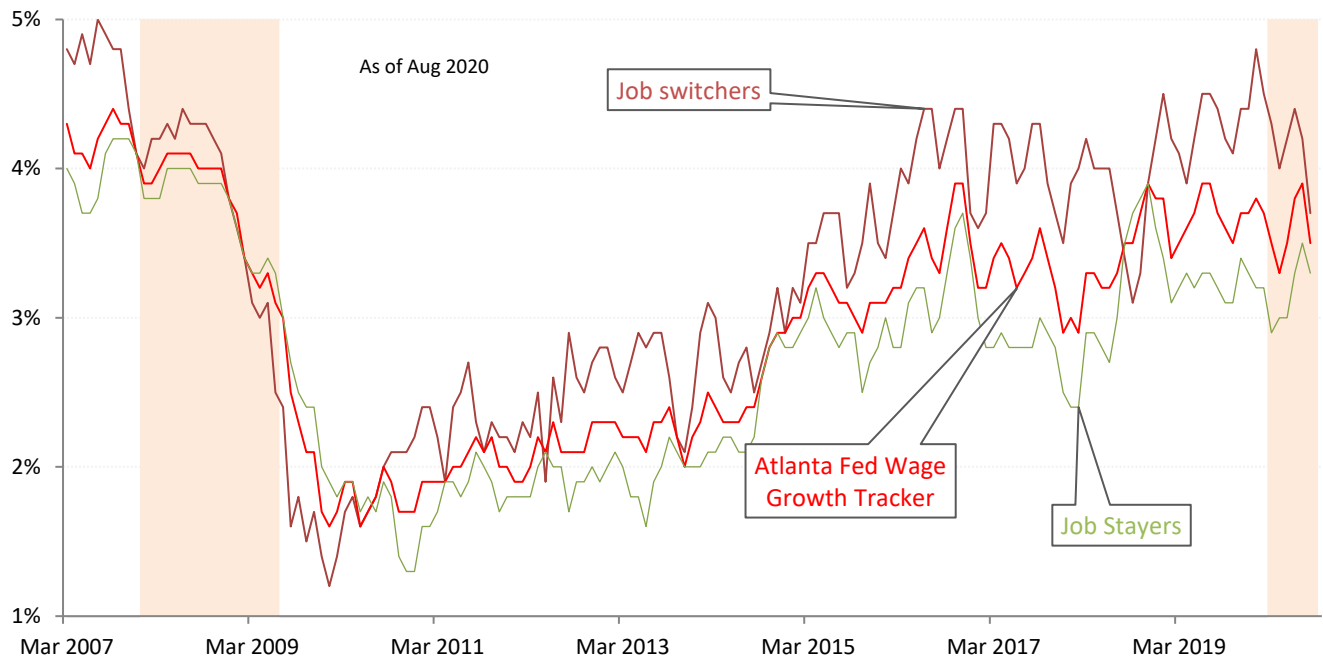
YOY average hourly earnings growth Atlanta Fed Wage Growth Index Recession



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

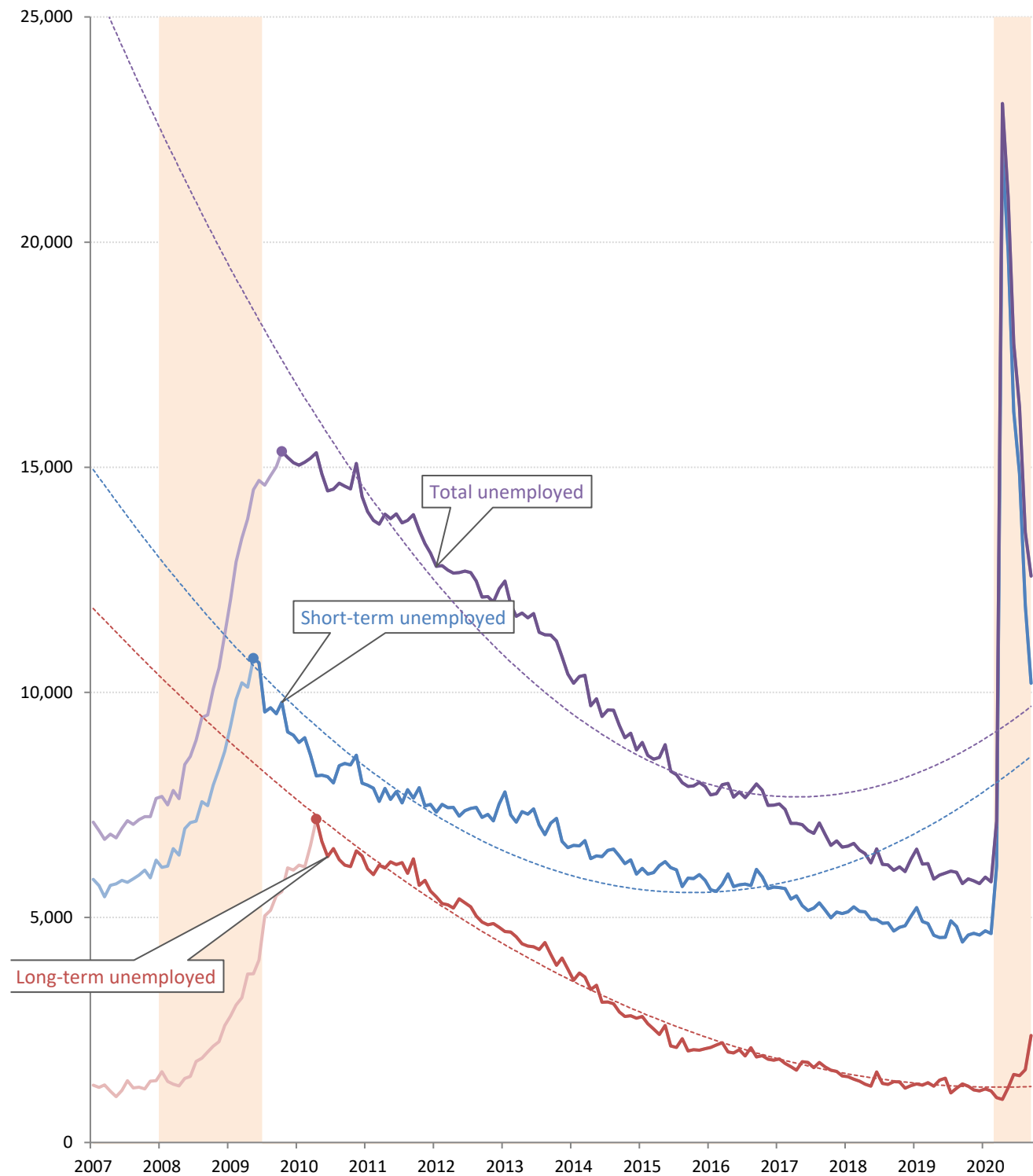


Source: Atlanta Federal Reserve Bank, TrendMacro calculations

The Great Recession, the jobless recovery, the long boom, and then the virus

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

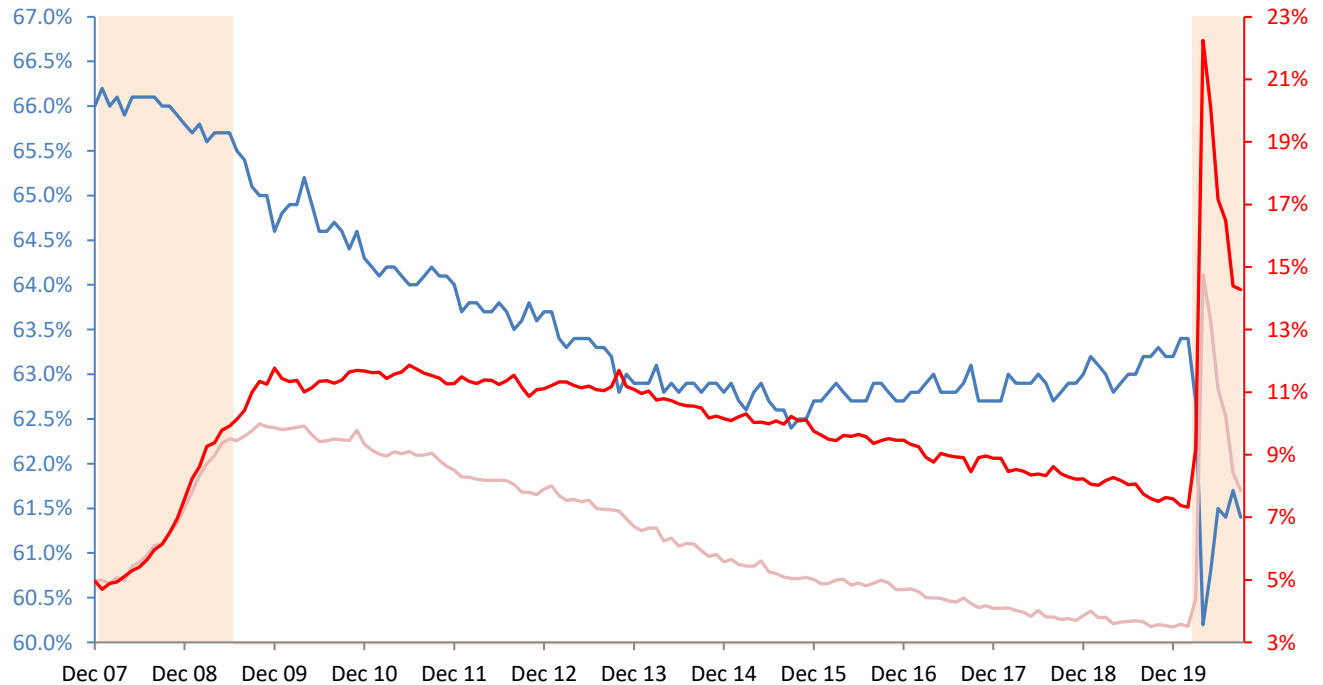
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

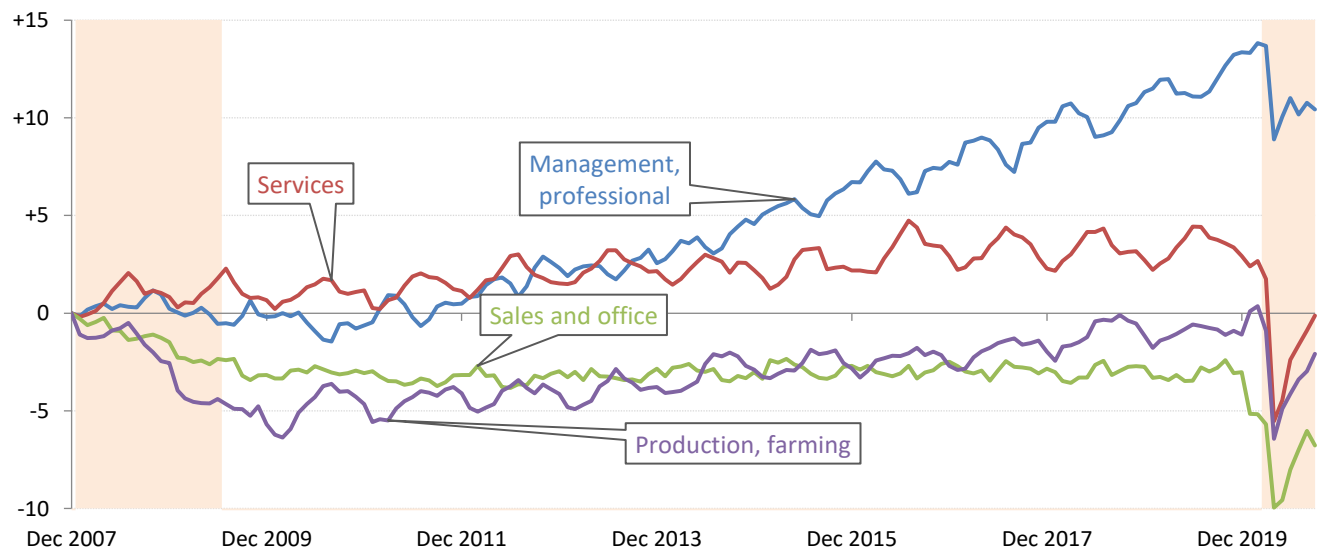
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the long boom and the virus crisis

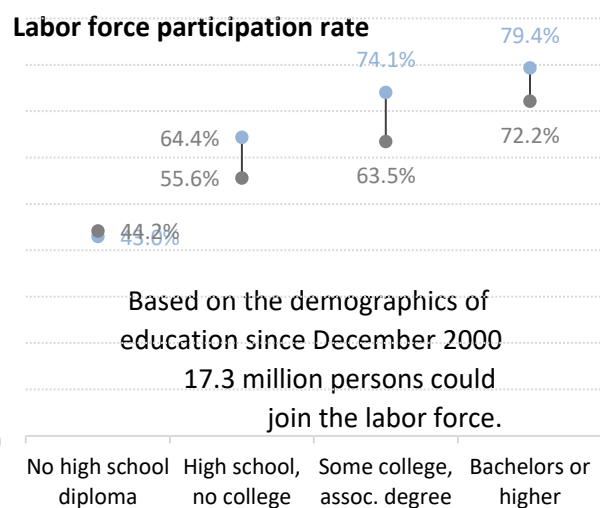
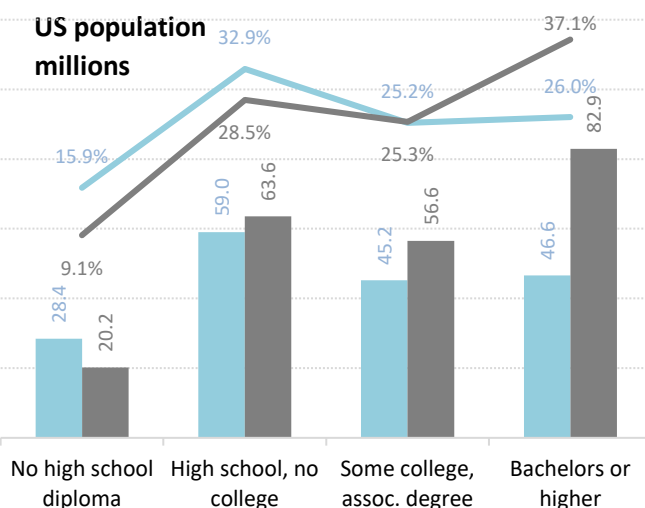
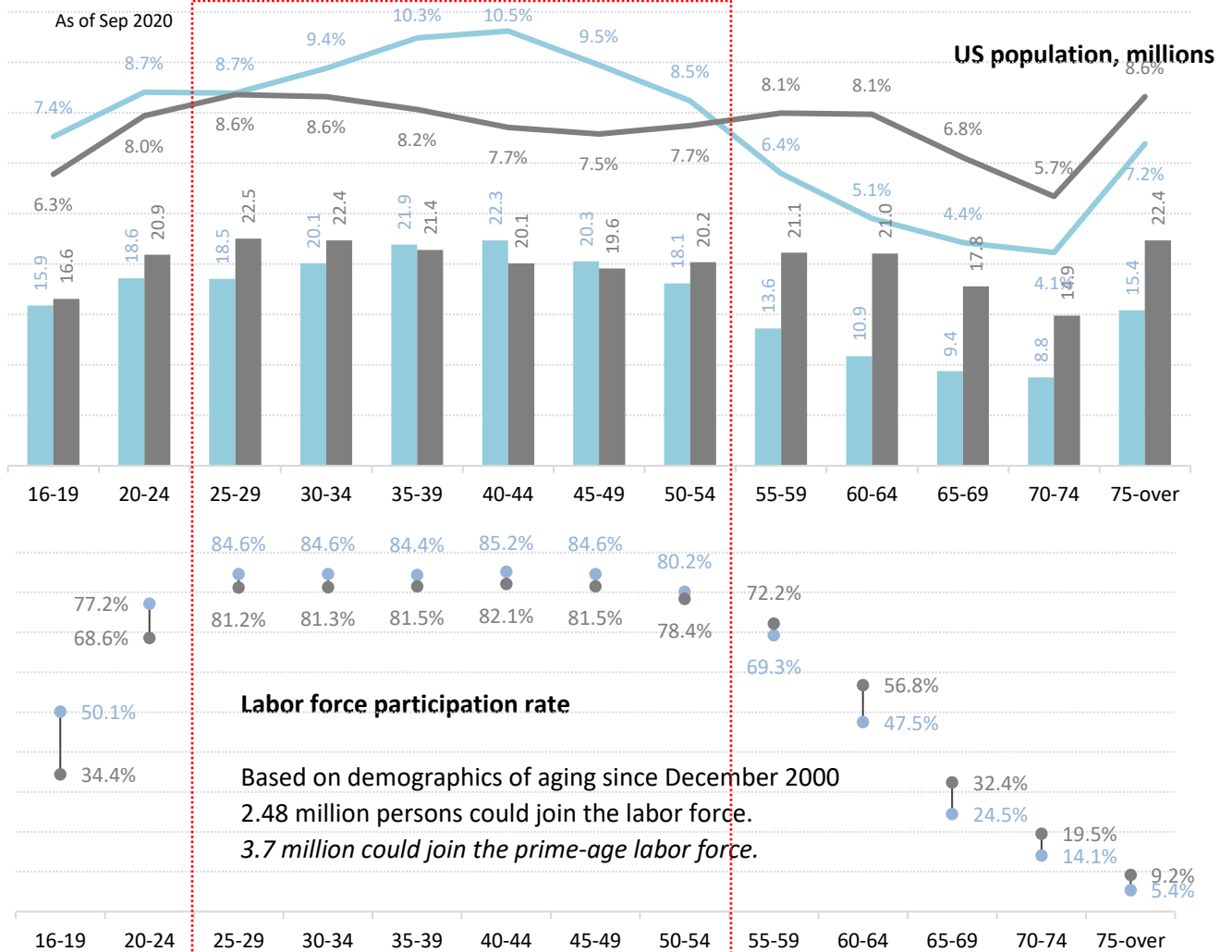
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

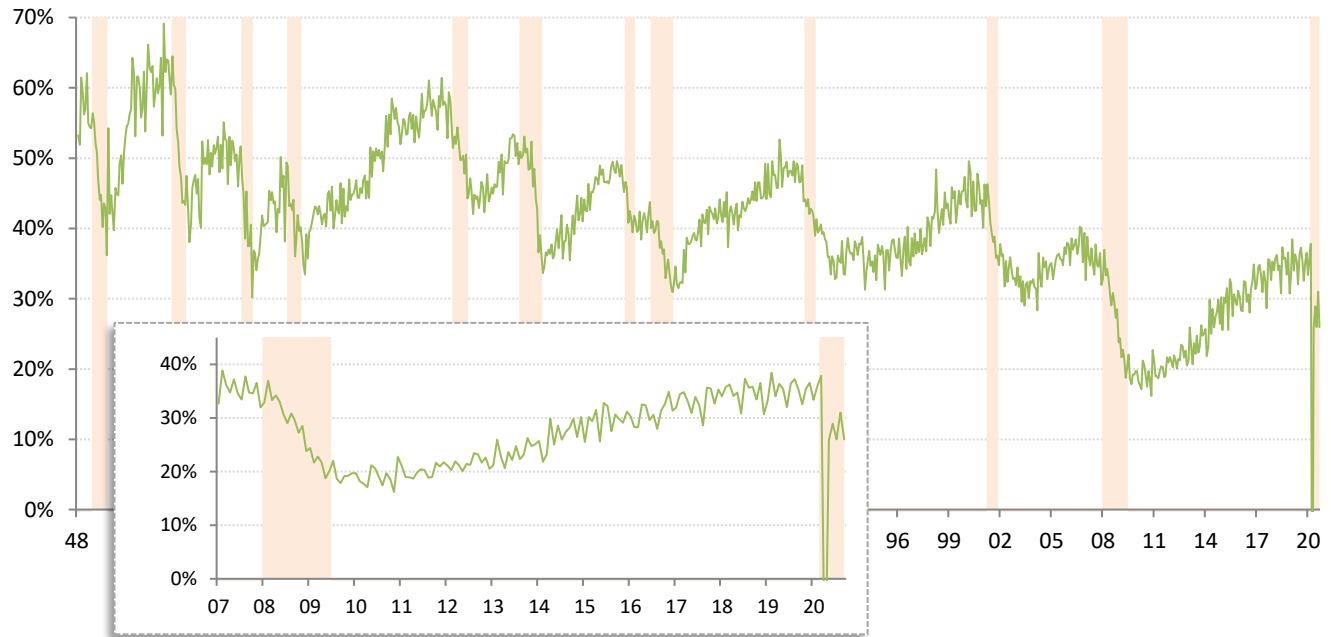
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

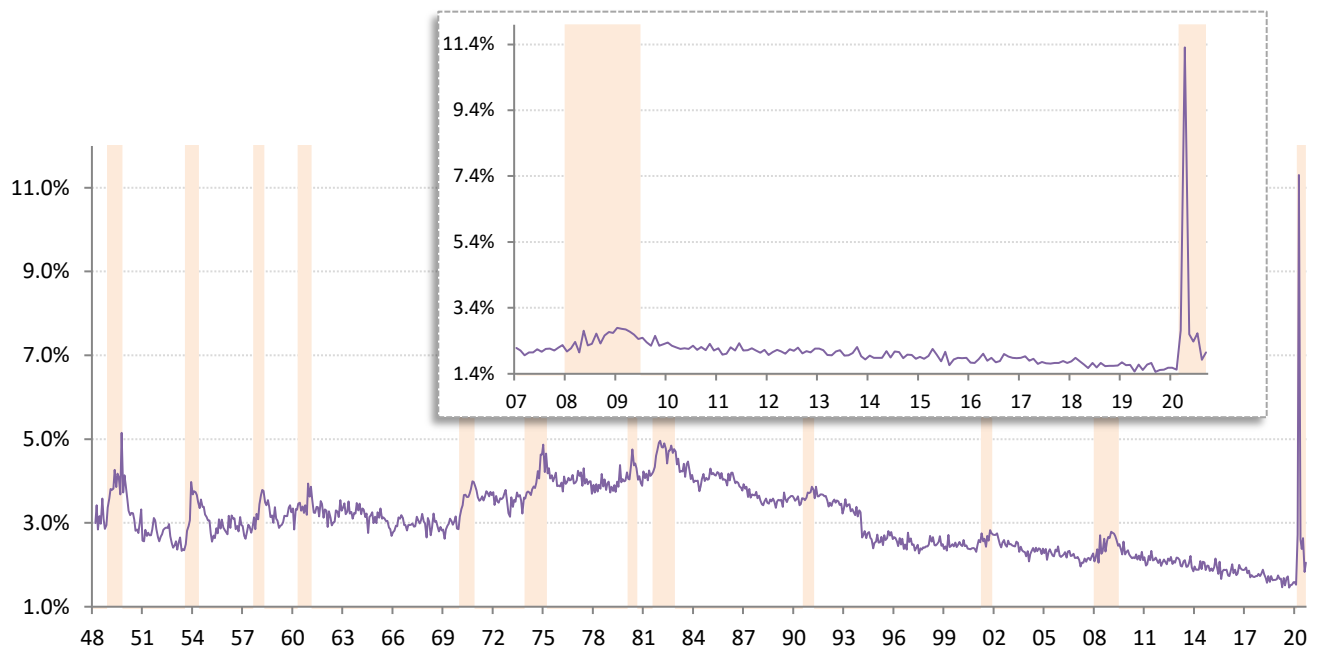
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

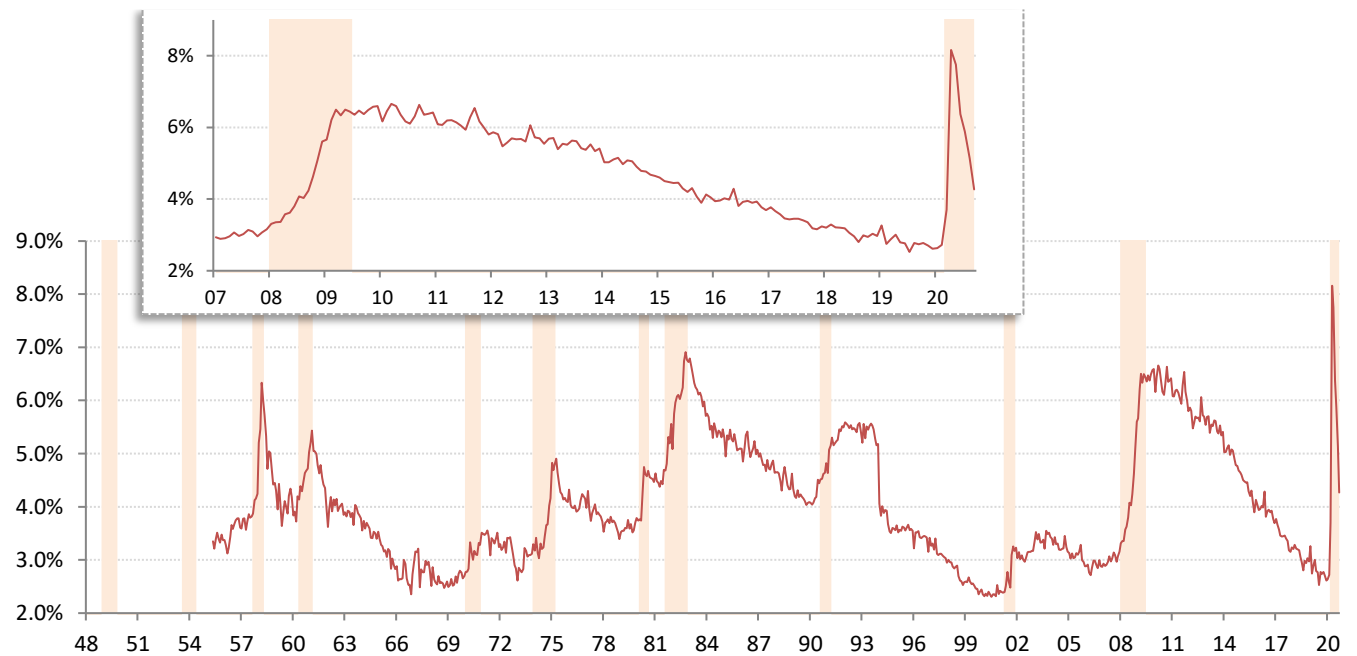
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

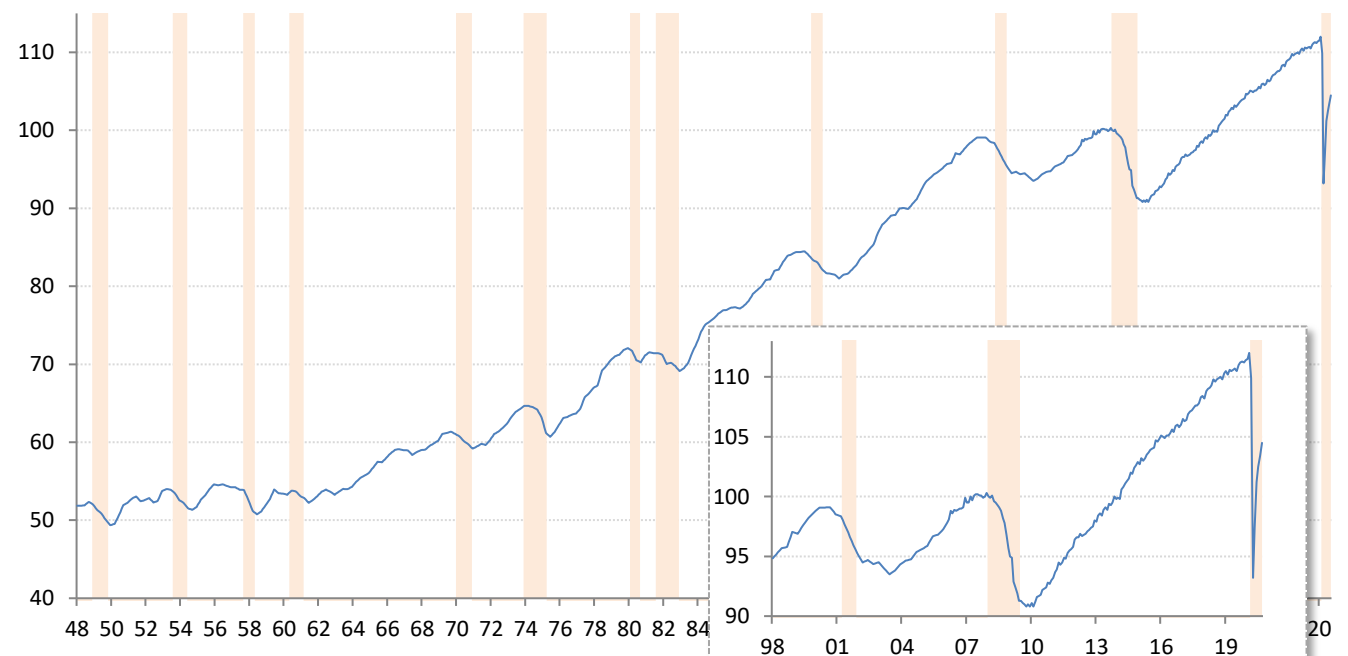
Persons available for full-time work Recession



Source: BLS Current Population Survey, TrendMacro calculations

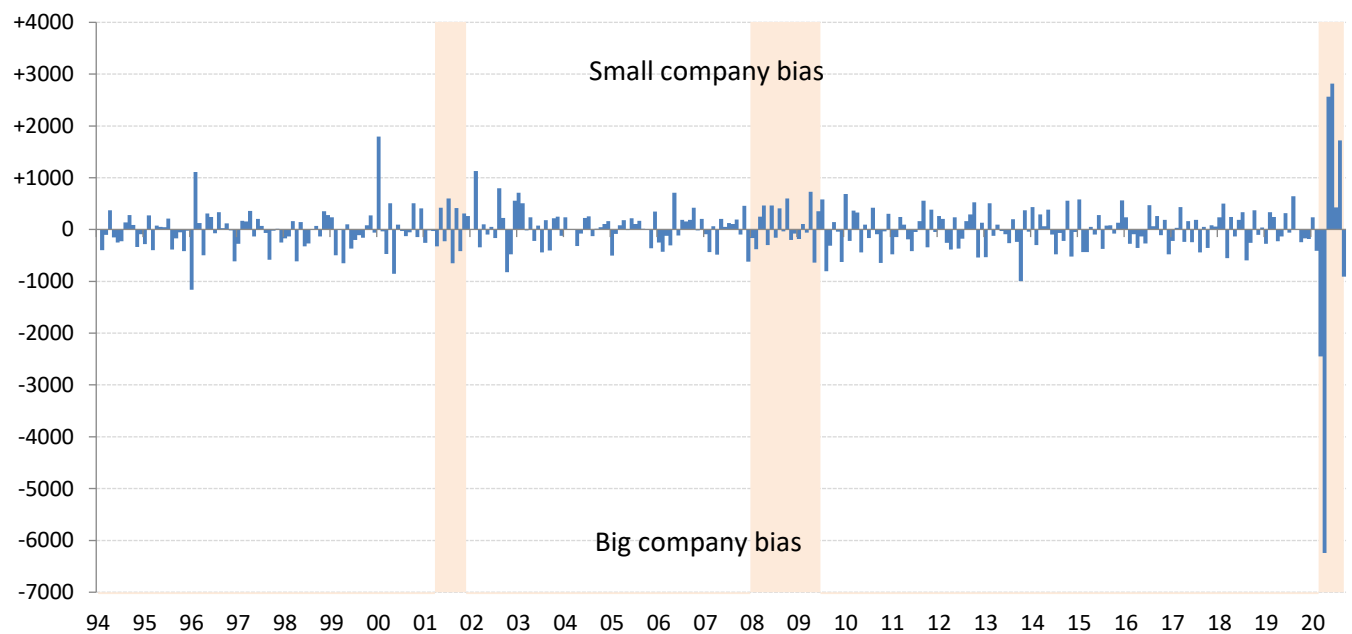
Aggregate weekly private hours-worked index

Recession



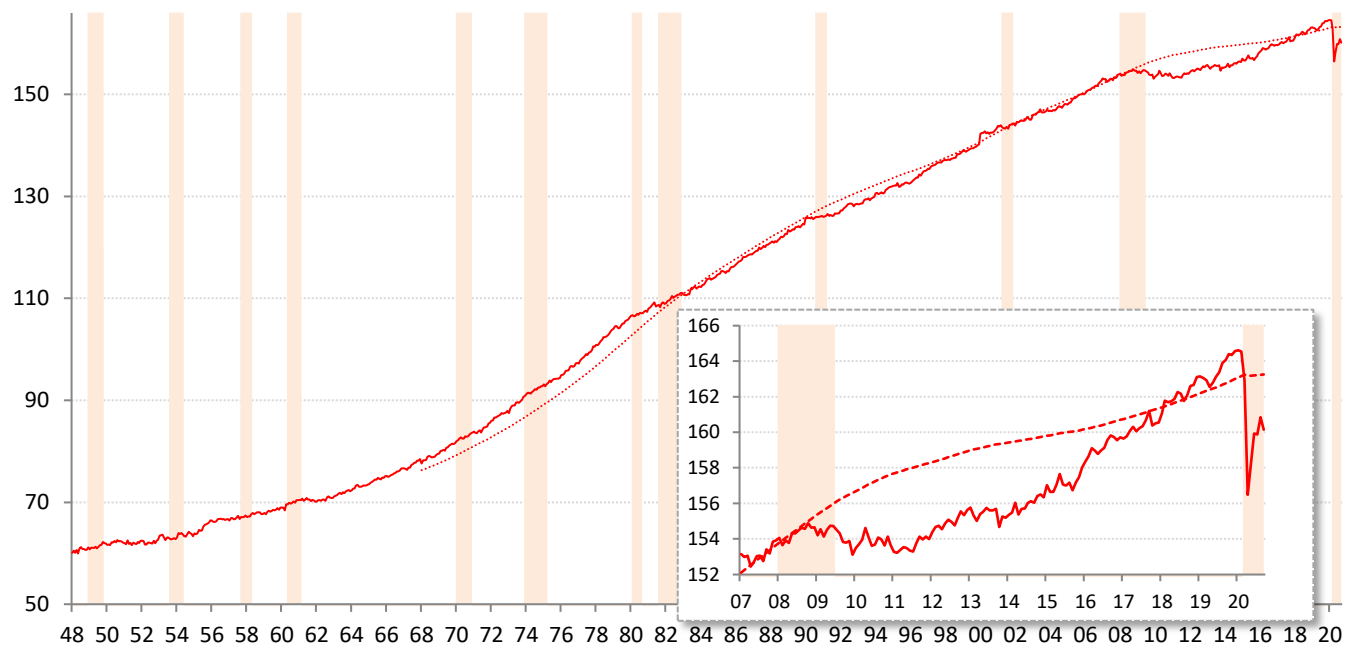
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



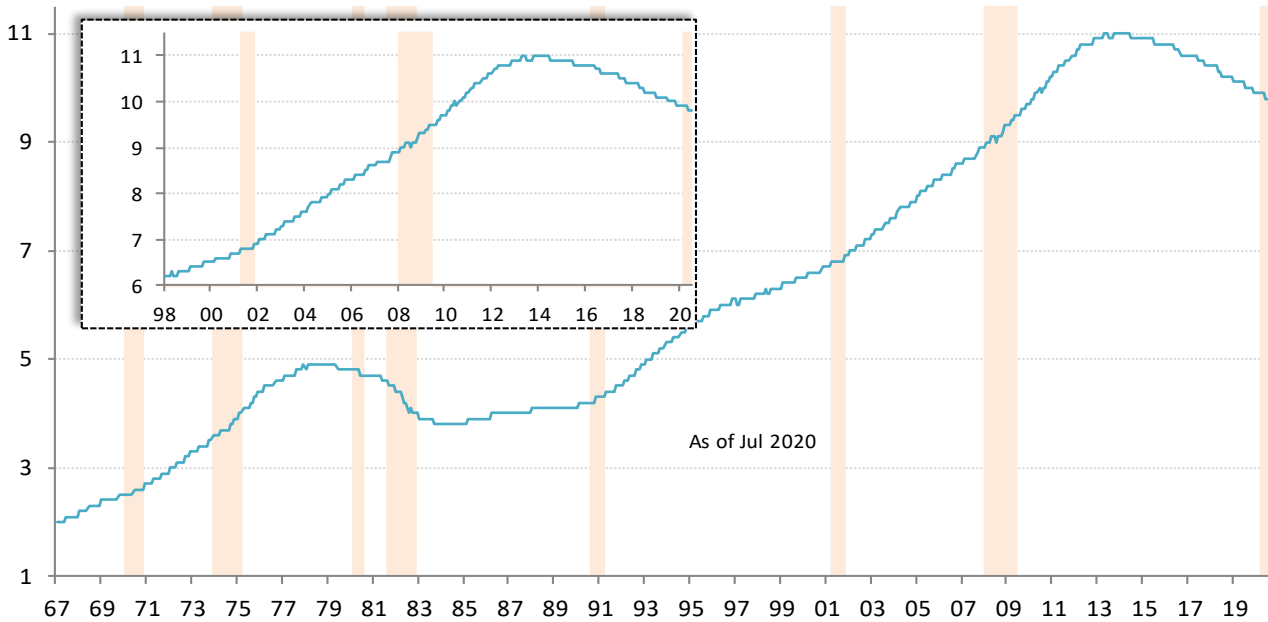
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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



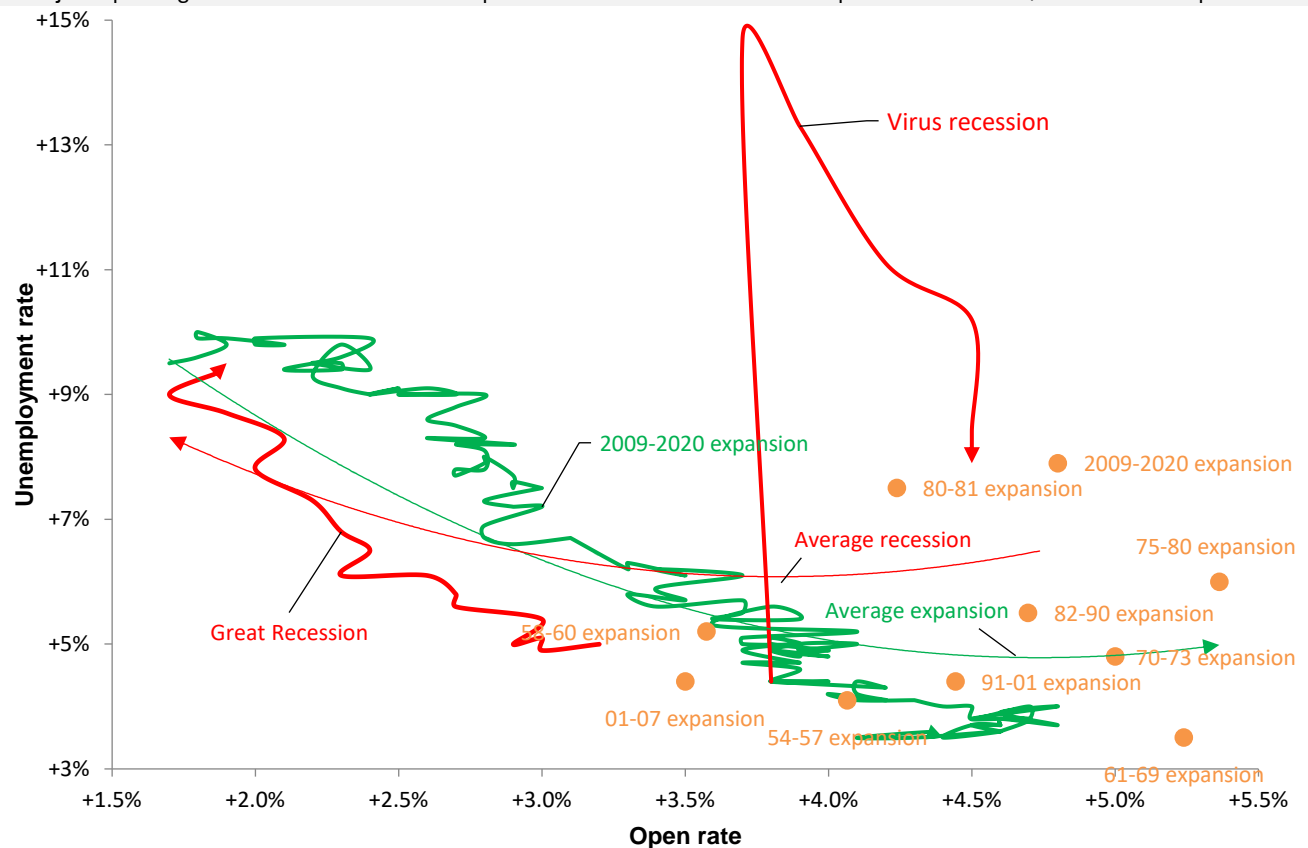
Running out of workers? The Beveridge Curve

and job openings

Cycle relationship between unemployment

— Expansion — Recession

● Expansion extreme, from 1954 to present



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