







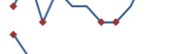








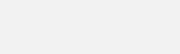


Data Insights: Jobs

Friday, July 2, 2021

Today's jobs data: what you need to know

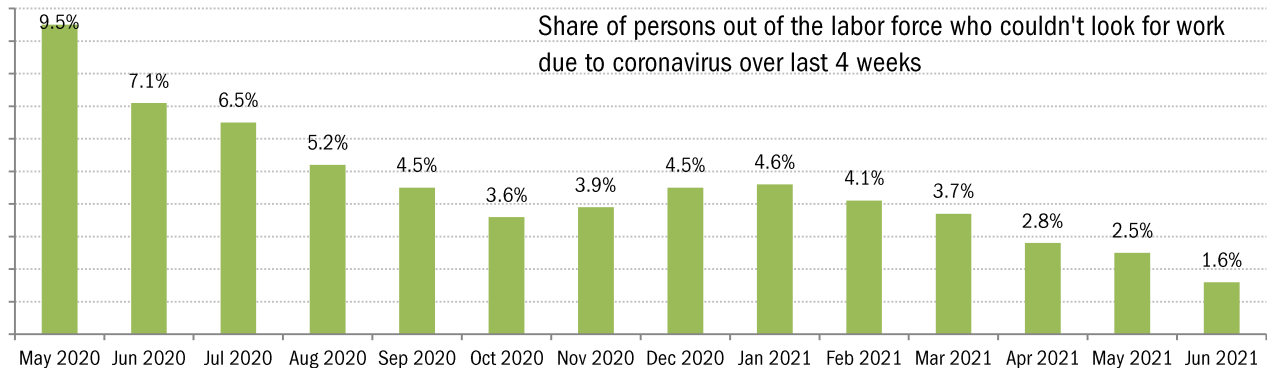
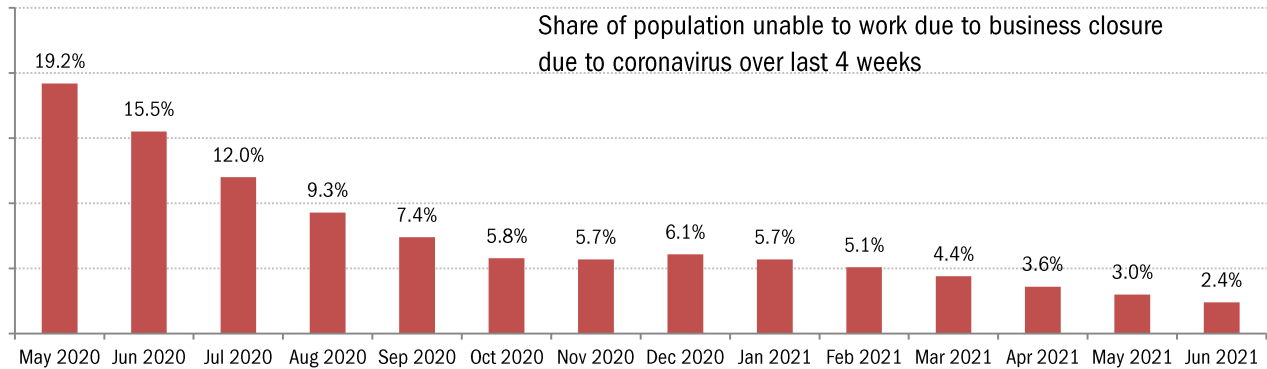
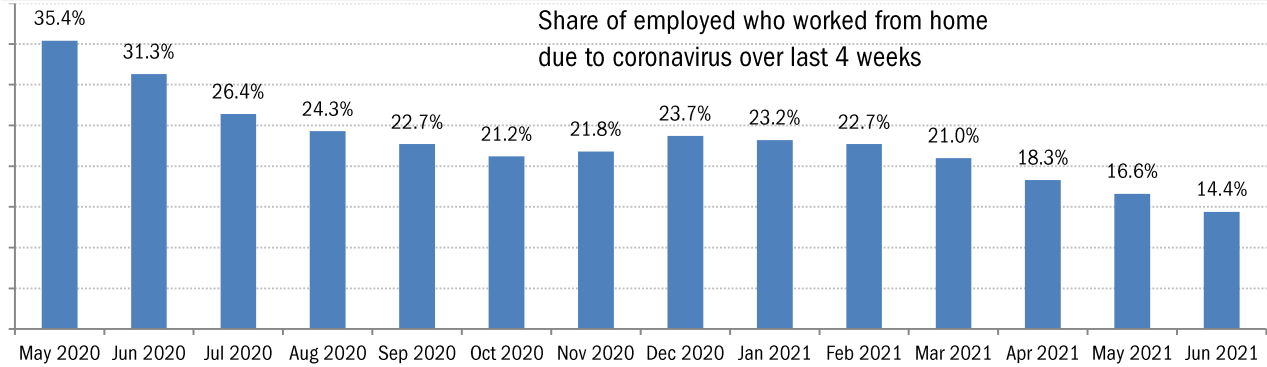
Non-farm payrolls	Change Jun: +850	Revision May: +24	Revision Apr: -9	
Private payrolls	Change Jun: +662	Revision May: +24	Revision Apr: +7	
Employment	Change Jun: -18			
Unemployment	Change Jun: +168			
Long-term unemployment	Change Jun: +103			
Civilian labor force	Change Jun: +151	2.32 million below trend	More than all entrants unemployed	
Unemployment rate	Jun: 5.89%	Change Jun: +0.10%		
Underemployment rate	Jun: 9.8%	Change Jun: -0.4%		
Participation rate	Jun: 61.6%	Change Jun: unch		
UE adjusted for participation	Jun: 12.2%	Change Jun: +0.09%		
Average weeks unemployed	Jun: 31.6	Change Jun: +1.7		
% longterm unemployed	Jun: 42.1%	Change Jun: +1.2%		
Aggregate hours worked index	Jun: 107.9	Change Jun: +0.2%	Revision May: -0	
Average hourly earnings	Jun: +0.33%	Change Jun: -0.10%	Revision May: -0.07%	
Aggregate weekly earnings	Jun: 156.9	Change Jun: +0.6%	Revision May: -0.5	
Monthly job-finding probability	Jun: 19.5%	Change Jun: -6.2%		
Monthly separation probability	Jun: 1.5%	Change Jun: -0.0%		
% involuntary part-time	Jun: 3.1%	Change Jun: -0.4%		
"Household" vs "Payroll" jobs	Change Jun: -246			

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

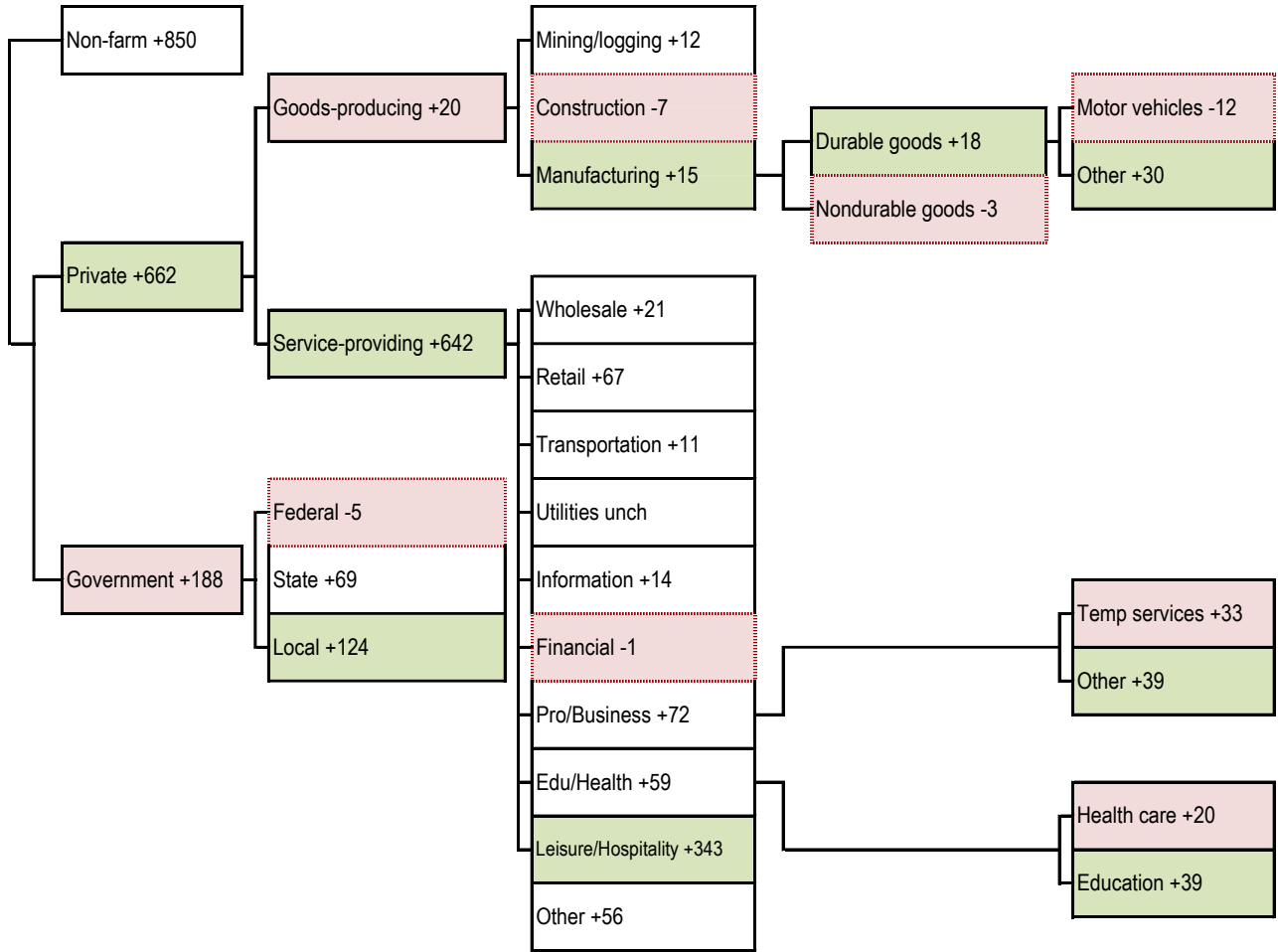
Labor market adaptation to pandemic conditions



Source: [BLS](#), TrendMacro calculations

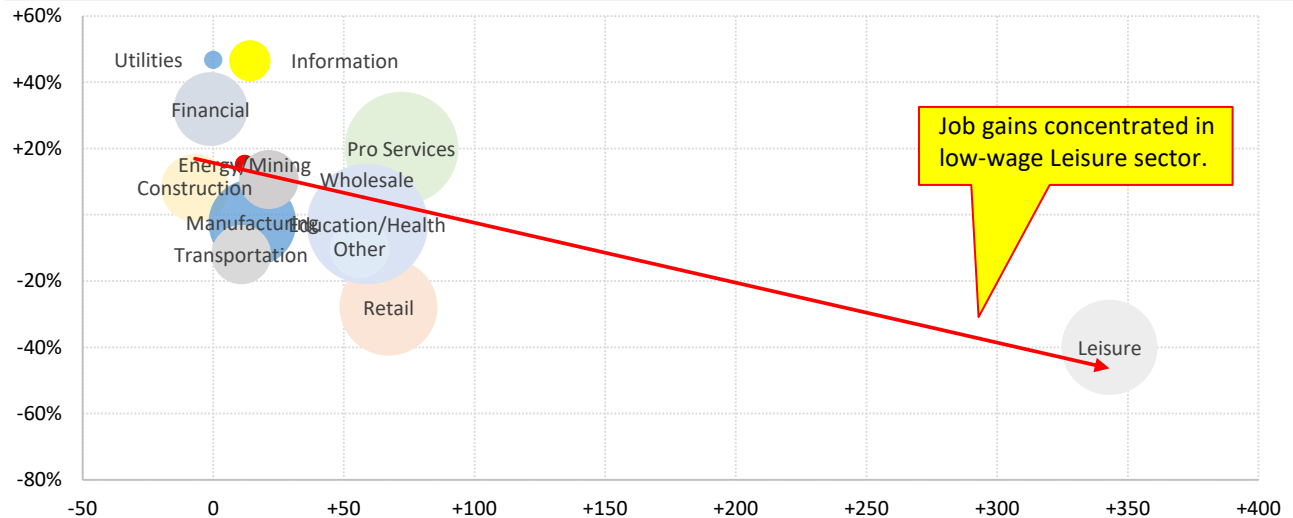
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

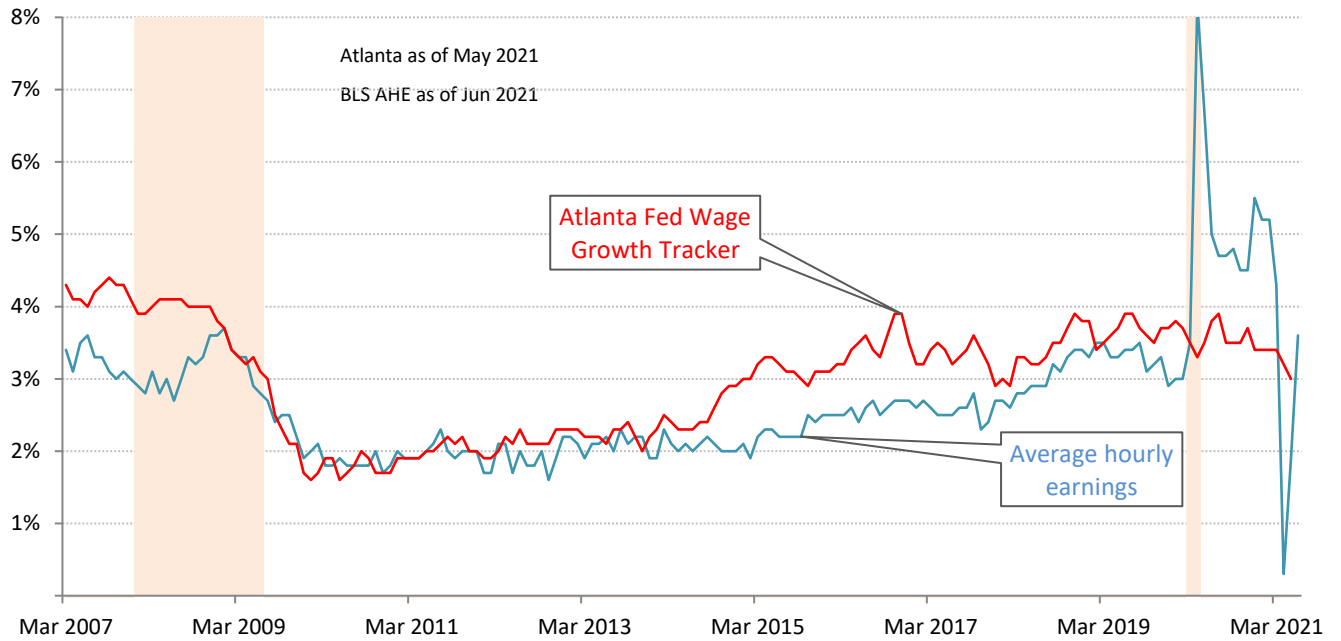
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

Solving the wage-growth puzzle

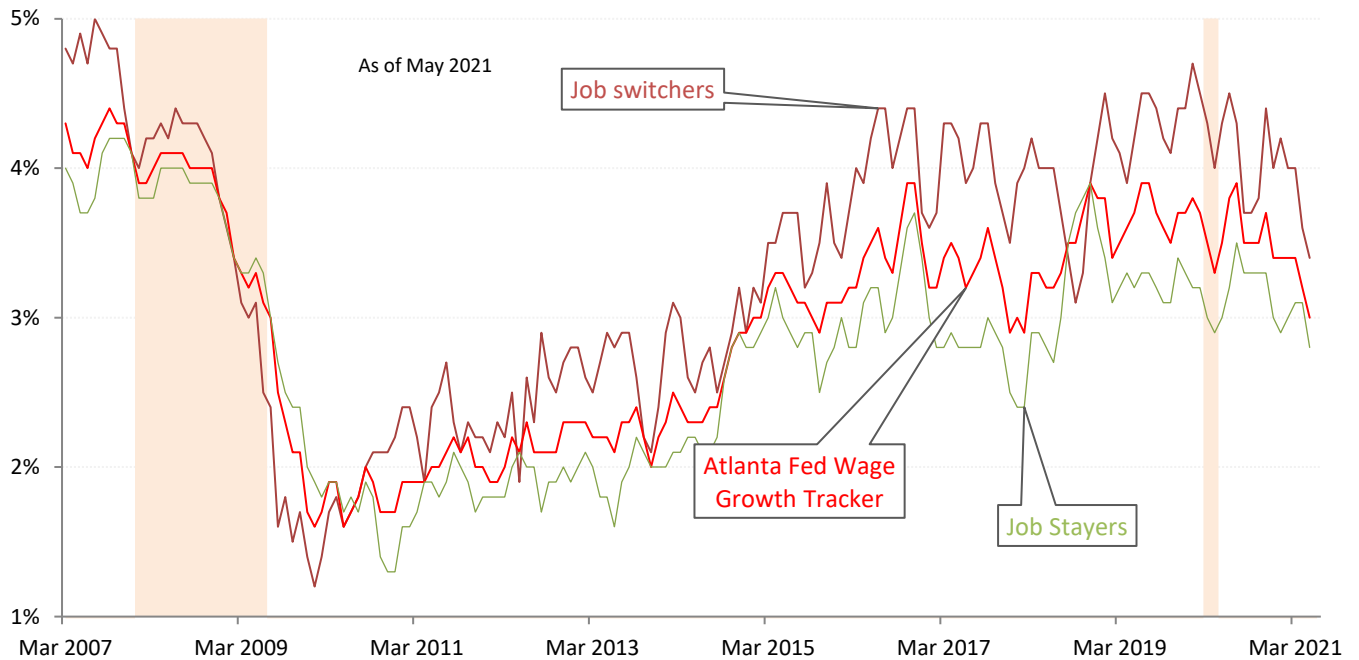
YOY average hourly earnings growth Atlanta Fed Wage Growth Index Recession



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

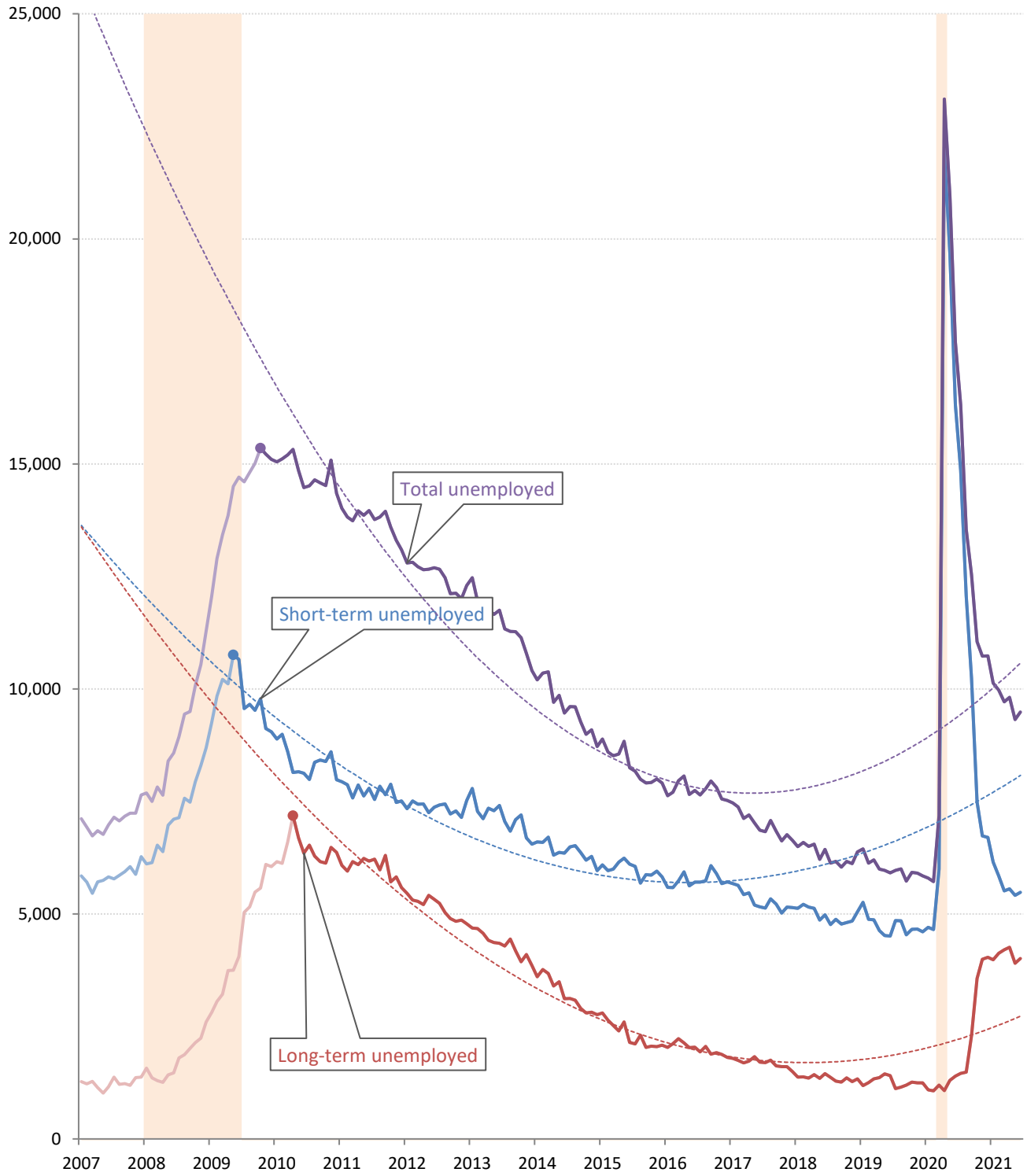


Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

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

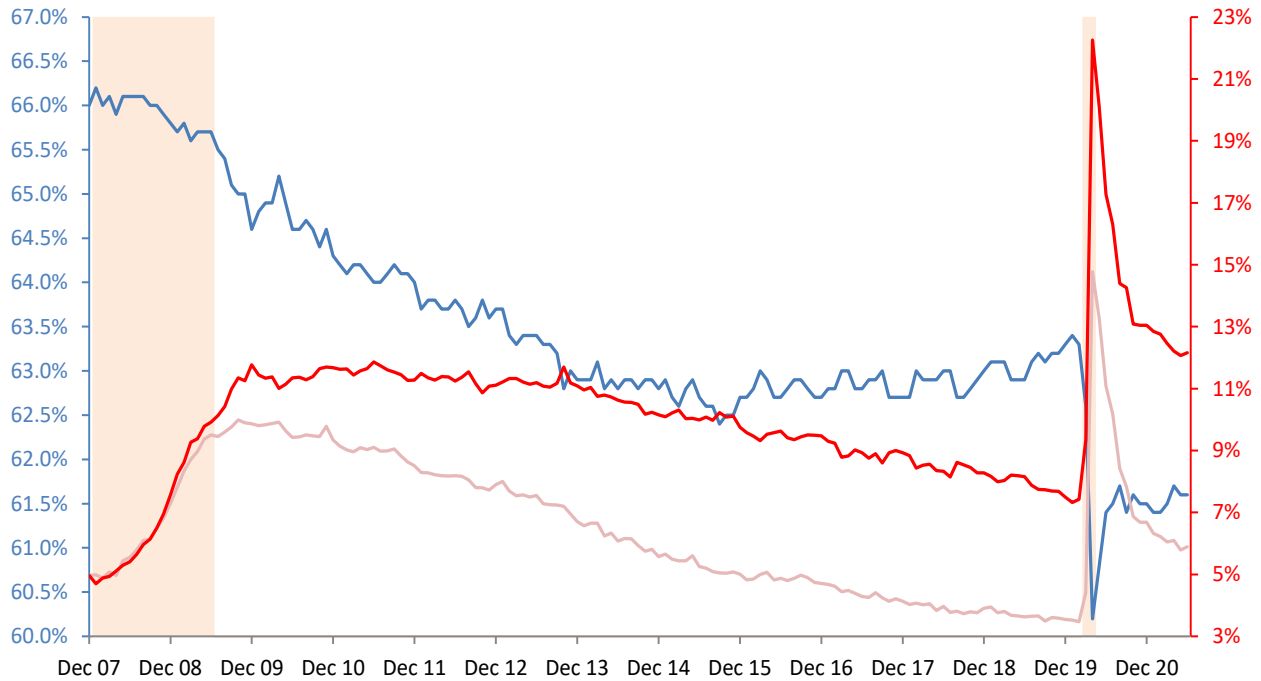
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

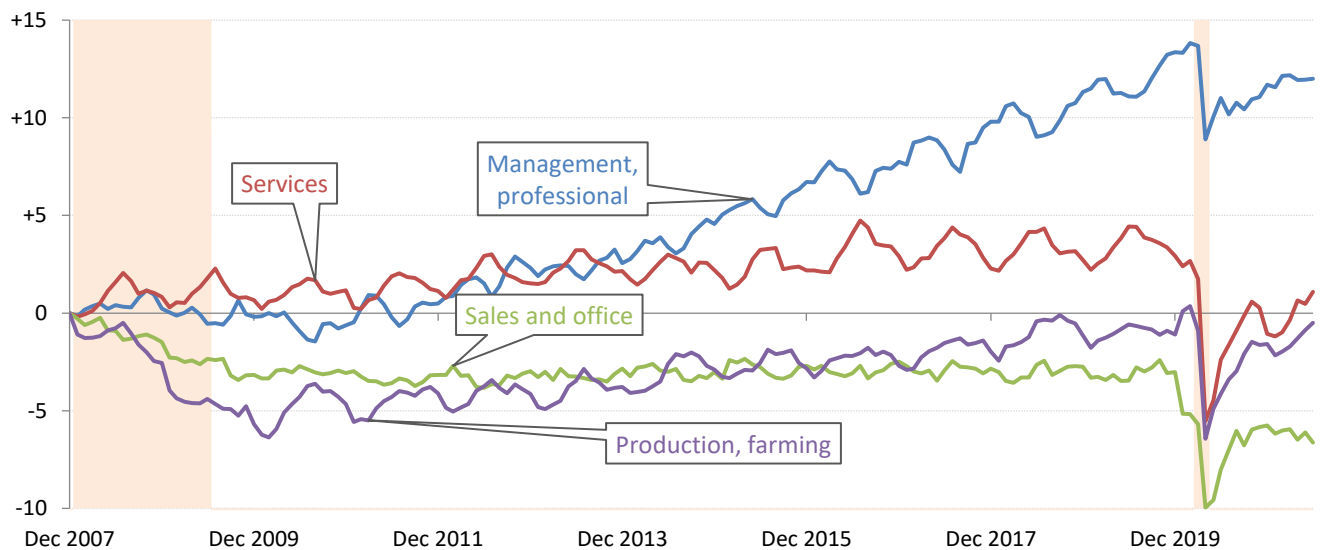
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the long boom and the virus crisis

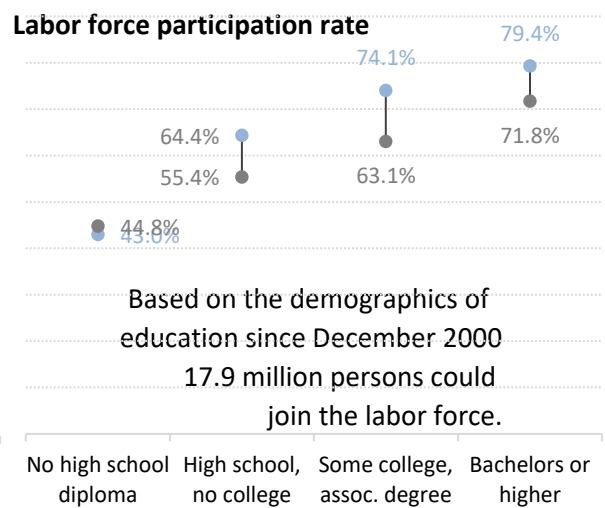
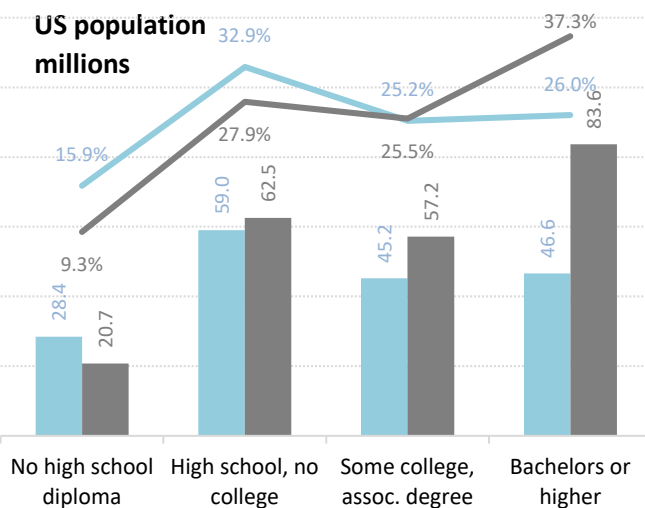
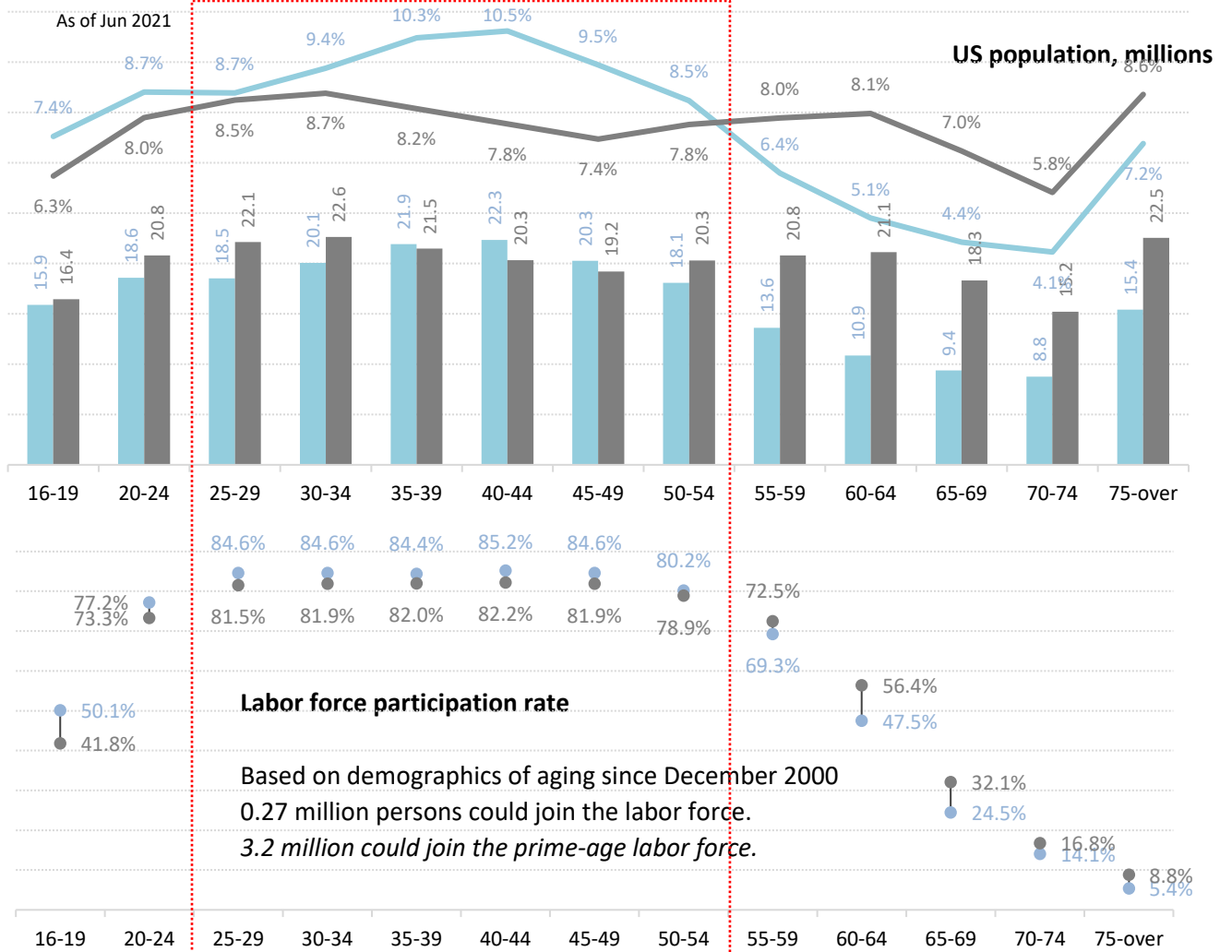
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

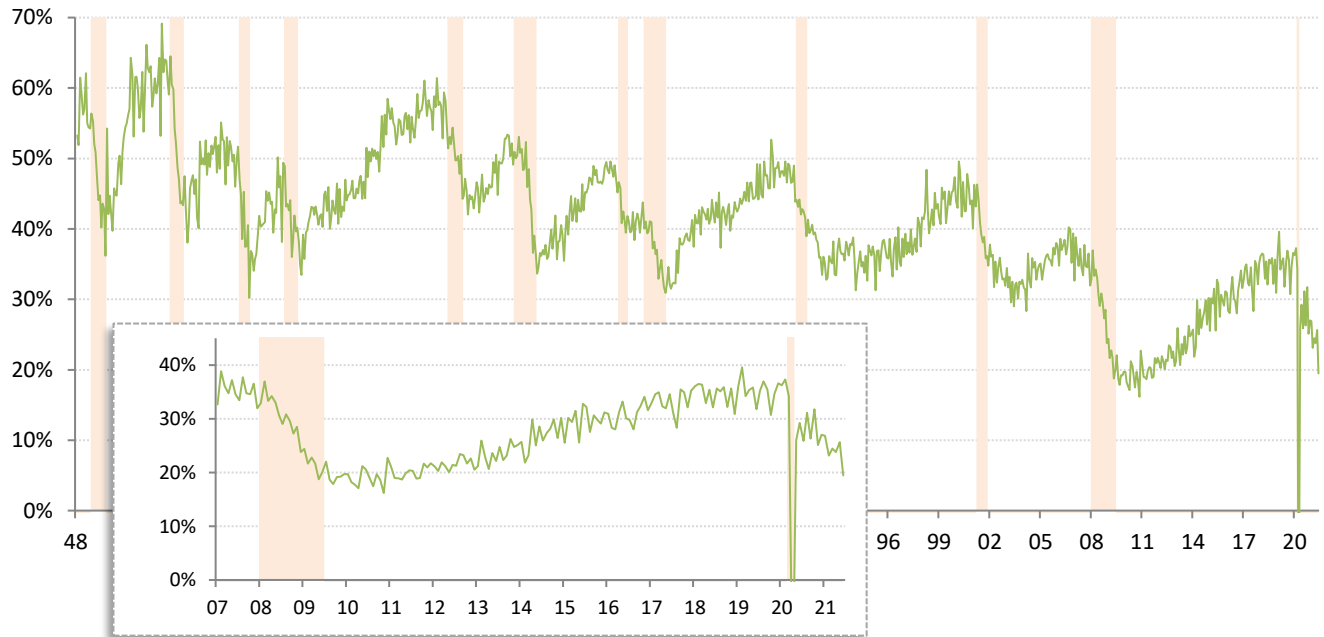
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

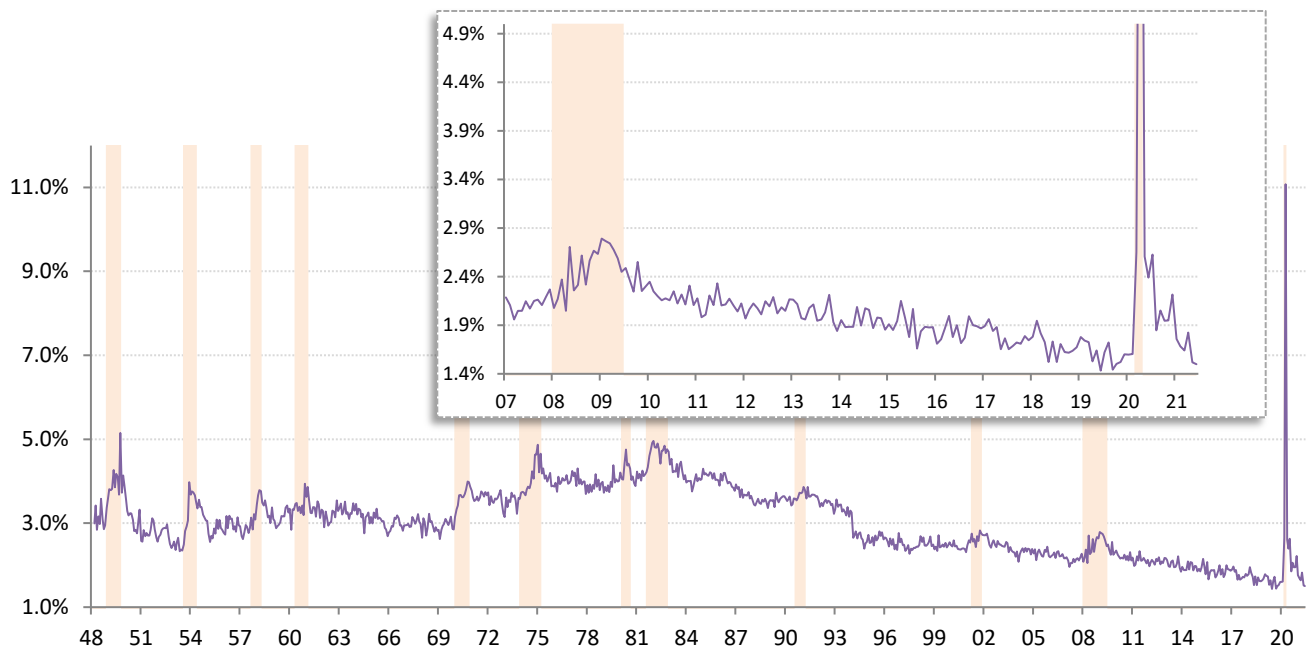
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

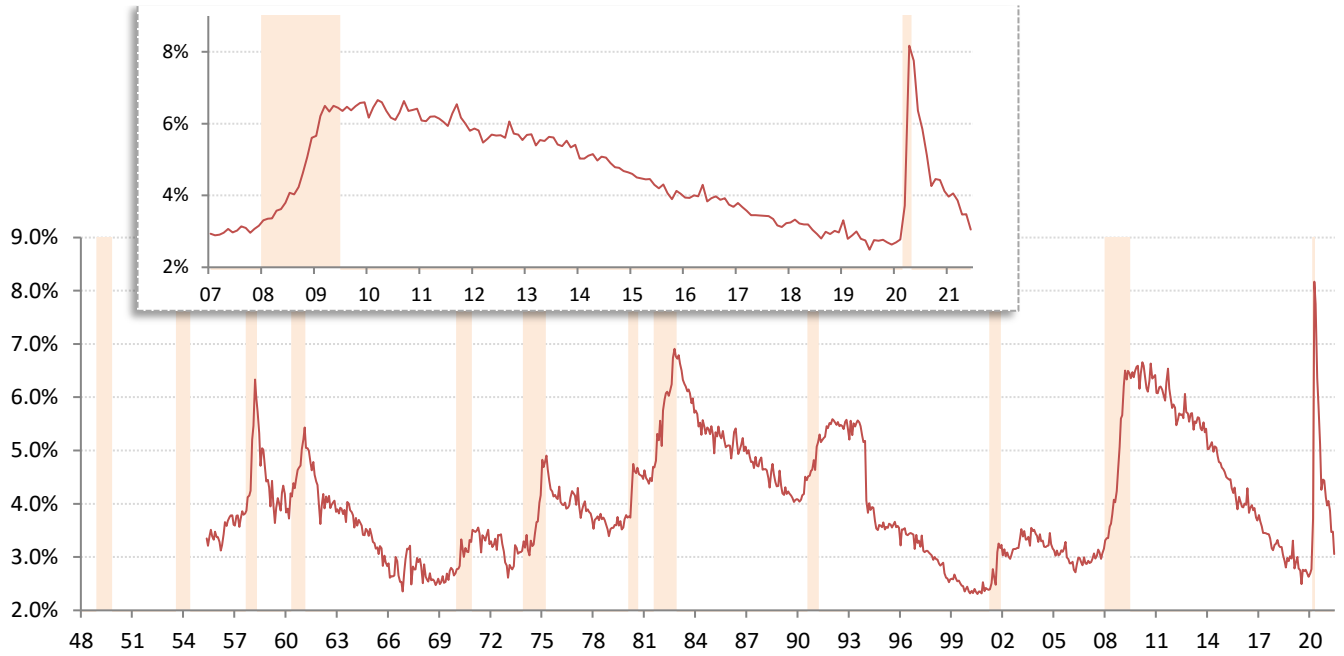
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

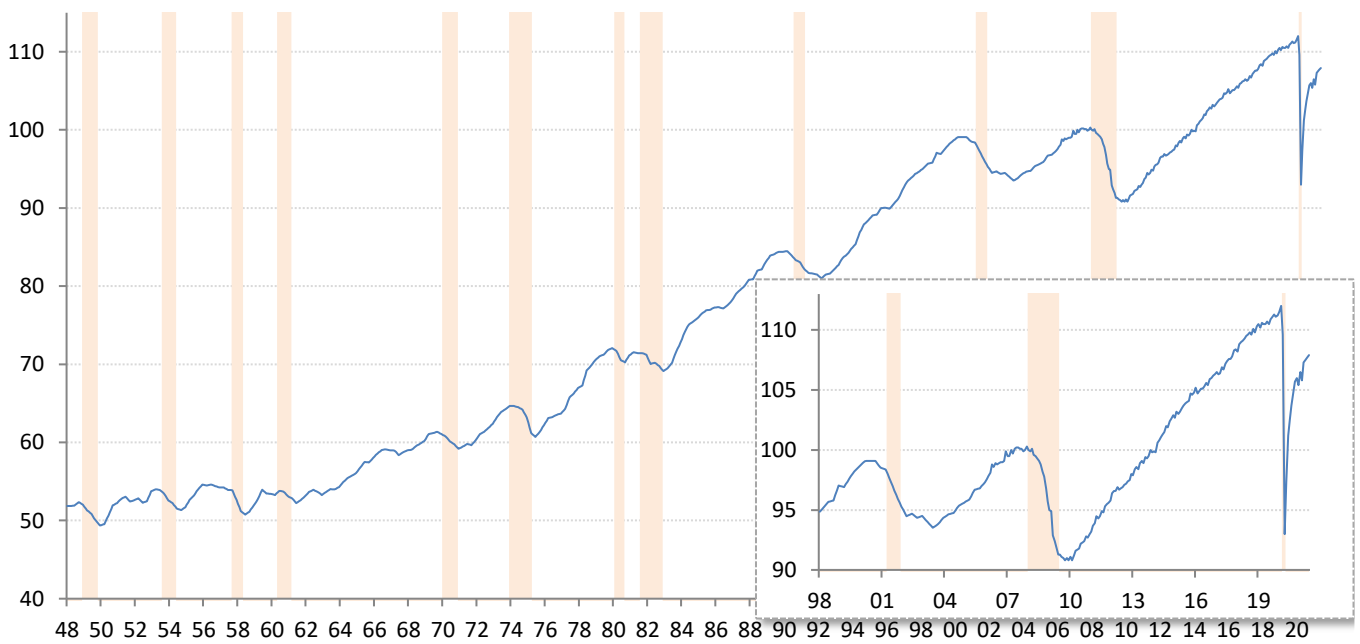
Persons available for full-time work ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations

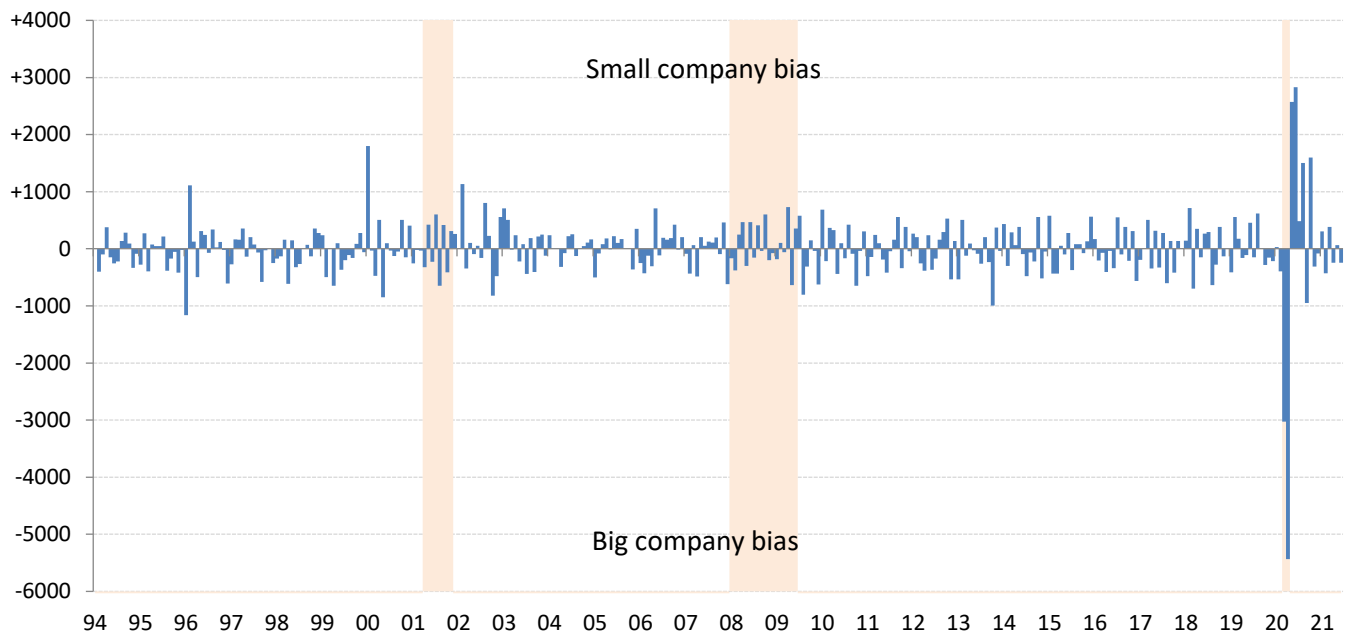
Aggregate weekly private hours-worked index

■ Recession



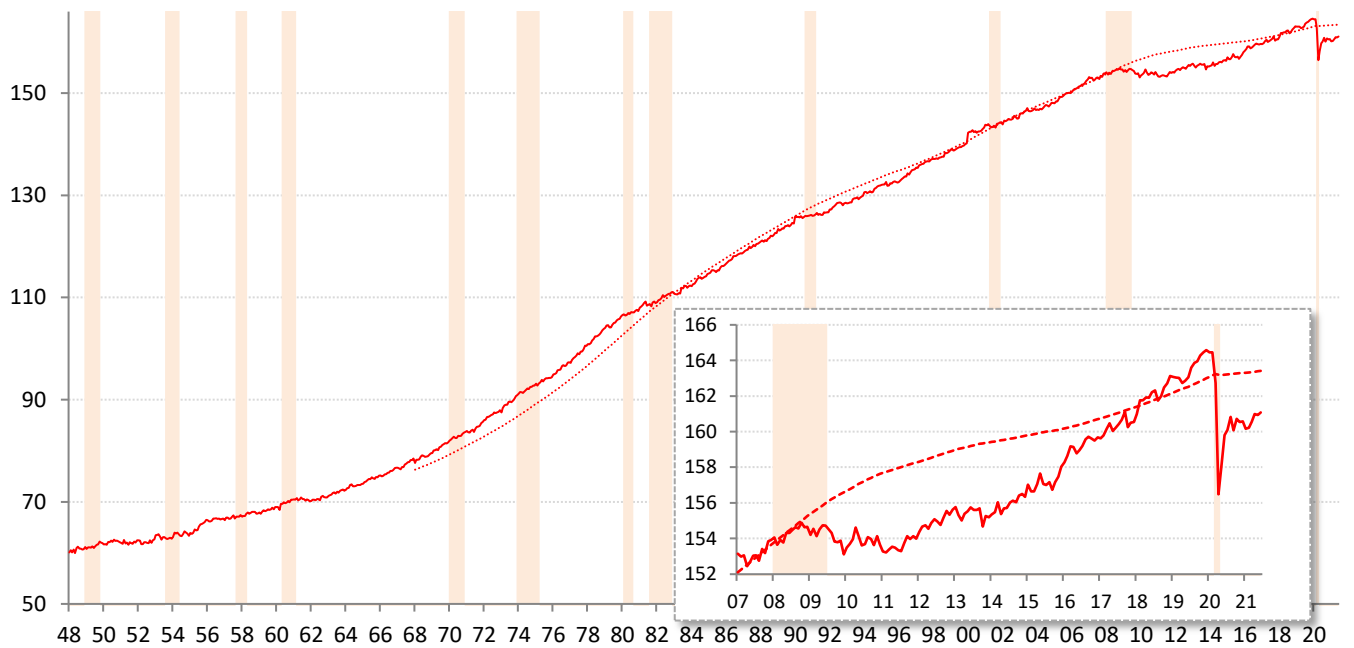
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



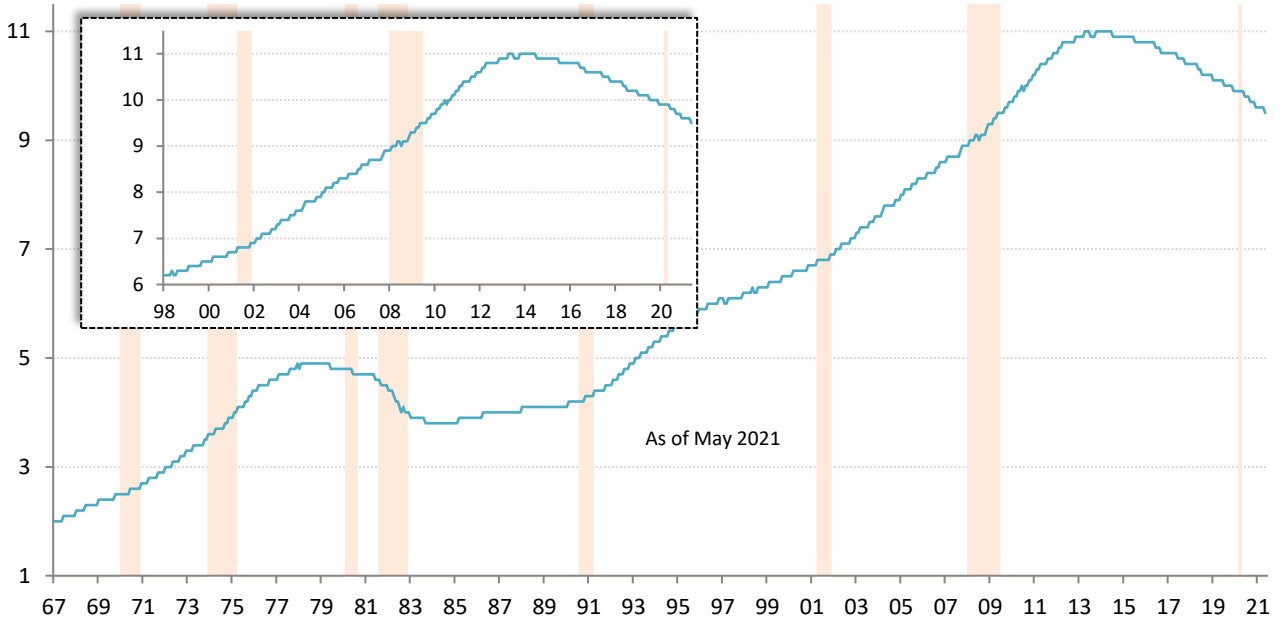
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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



Source: BLS Current Population Survey, TrendMacro calculations

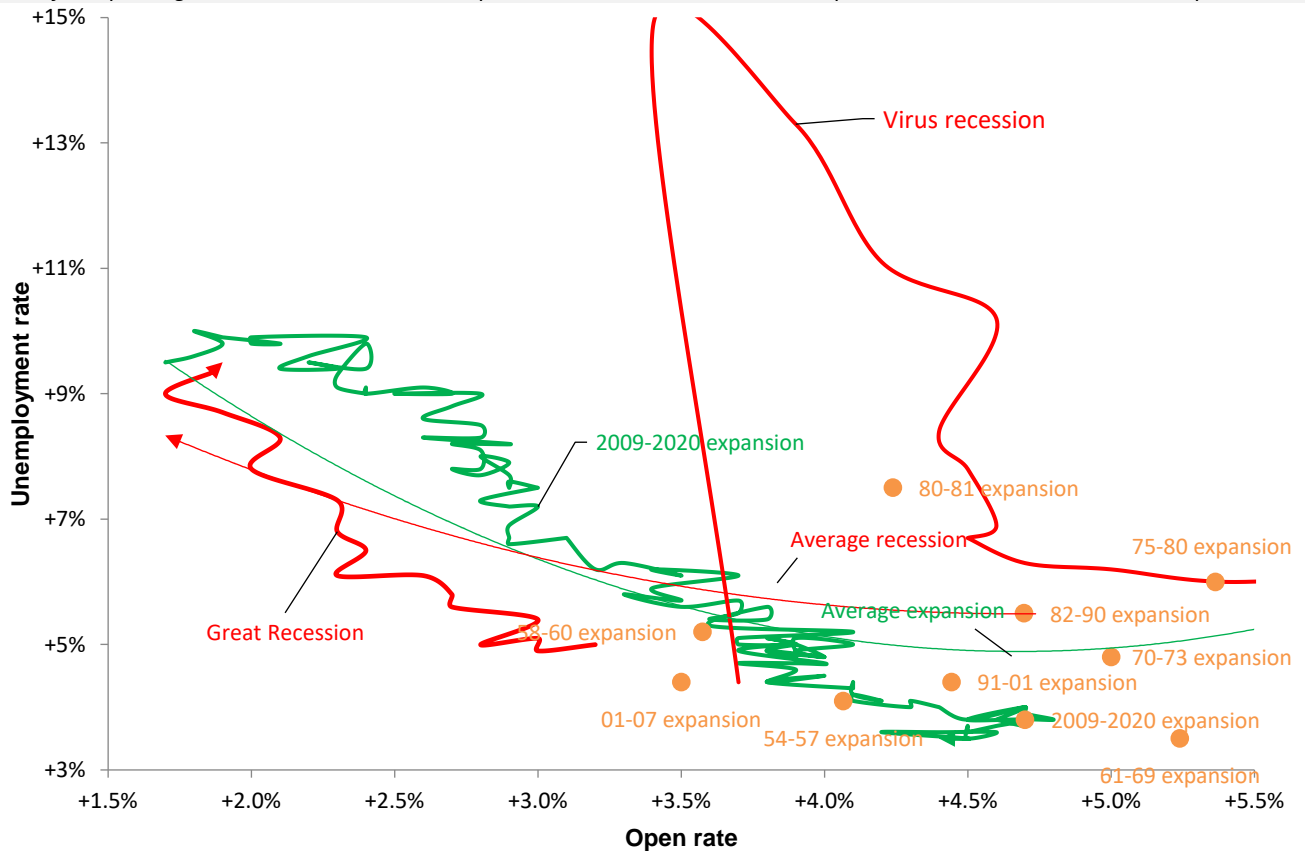
Can the disabled come back to the labor force? Social Security disability recipients, millions



Running out of workers? The Beveridge Curve

Cycle relationship between unemployment and job openings

— Expansion — Recession ● Expansion extreme, from 1954 to present



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