




Data Insights: Jobs

Friday, November 5, 2021

Today's jobs data: what you need to know

Non-farm payrolls	Change Oct: +531	Revision Sep: +118	Revision Aug: +117	
Private payrolls	Change Oct: +604	Revision Sep: +48	Revision Aug: +172	
Employment	Change Oct: +359			
Unemployment	Change Oct: -255			
Long-term unemployment	Change Oct: -201			
Civilian labor force	Change Oct: +104	2.04 million below trend	More than all entrants employed	
Unemployment rate	Oct: 4.60%	Change Oct: -0.16%		
Underemployment rate	Oct: 8.3%	Change Oct: -0.2%		
Participation rate	Oct: 61.6%	Change Oct: unch		
UE adjusted for participation	Oct: 11.0%	Change Oct: -0.15%		
Average weeks unemployed	Sep: 28.4	Change Sep: -1.2		
% longterm unemployed	Sep: 34.5%	Change Sep: -2.9%		
Aggregate hours worked index	Oct: 110.1	Change Oct: +0.2%	Revision Sep: +0	
Average hourly earnings	Oct: +0.36%	Change Oct: -0.23%	Revision Sep: -0.03%	
Aggregate weekly earnings	Oct: 163	Change Oct: +0.6%	Revision Sep: +0.1	
Monthly job-finding probability	Oct: 30.5%	Change Oct: -4.7%		
Monthly separation probability	Oct: 1.6%	Change Oct: -0.0%		
% involuntary part-time	Oct: 2.9%	Change Oct: -0.0%		
"Household" vs "Payroll" jobs	Change Oct: -278			

Source: Bureau of Labor Statistics, TrendMacro calculations

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Today's jobs data: a deeper dive

Non-farm payrolls SA	Change Oct: +531	Revision Sep: +118	Revision Aug: +117	
Non-farm payrolls NSA	Change Oct: +1558	Revision Sep: -7	Revision Aug: -16	
Birth-death adjustment	Change Oct: +363			
Employment	Change Oct: +359			
Unemployment rate	Oct: 4.60%	Change Oct: -0.16%		
White employment	Change Oct: +315			
White unemployment rate	Oct: 4.0%	Change Oct: -0.2%		
Black employment	Change Oct: +104			
Black unemployment rate	Oct: 7.9%	Change Oct: -0.9%		
Hispanic employment	Change Oct: +196			
Hispanic unemployment rate	Oct: 5.9%	Change Oct: -0.4%		
Asian employment	Change Oct: +68			
Asian unemployment rate	Oct: 4.2%	Change Oct: -0.4%		
HS only employment	Change Oct: -122			
HS only unemployment rate	Oct: 5.4%	Change Oct: -0.5%		
Men employment	Change Oct: +324			
Men unemployment rate	Oct: 4.5%	Change Oct: -0.5%		
Women employment	Change Oct: +35			
Women unemployment rate	Oct: 4.7%	Change Oct: 0.2%		

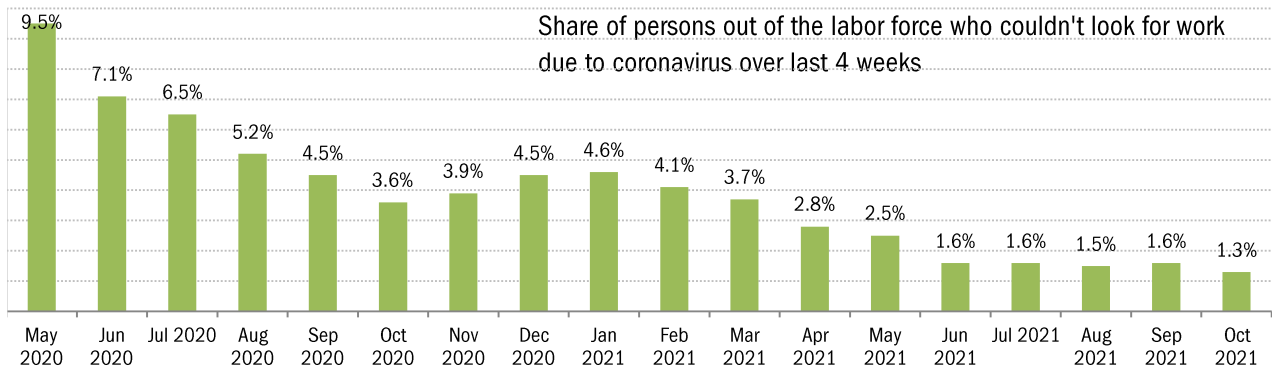
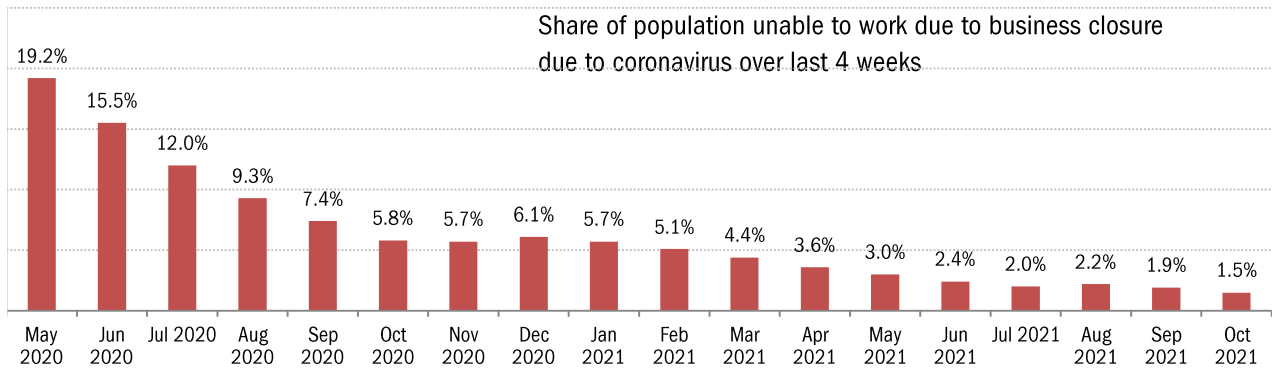
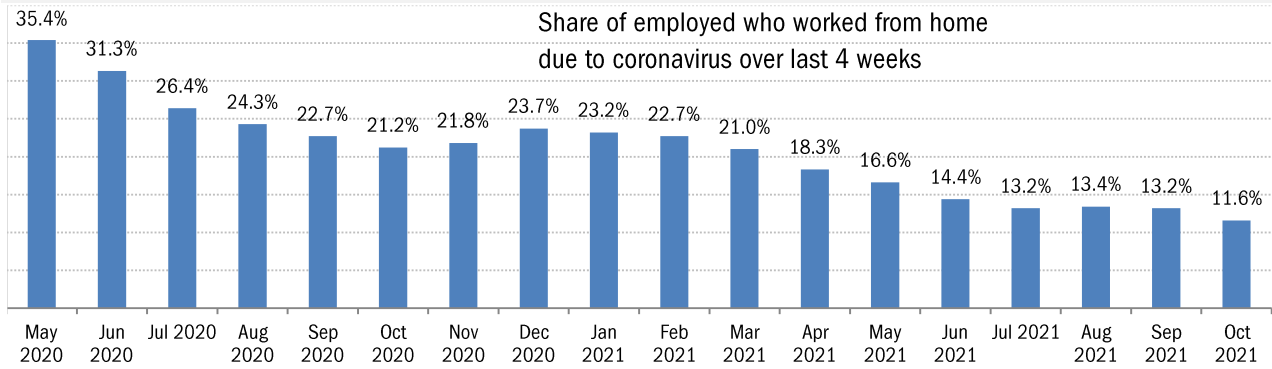
Source: Bureau of Labor Statistics, TrendMacro calculations

TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+571	52	51.6	-125	364	22822	26	-1
Model estimate	Actual	Actual beat(+) or miss (-)					
+317	+531	+214					

Source: ADP, ISM, DOL, Challenger, NFIB, BLS, TrendMacro calculations

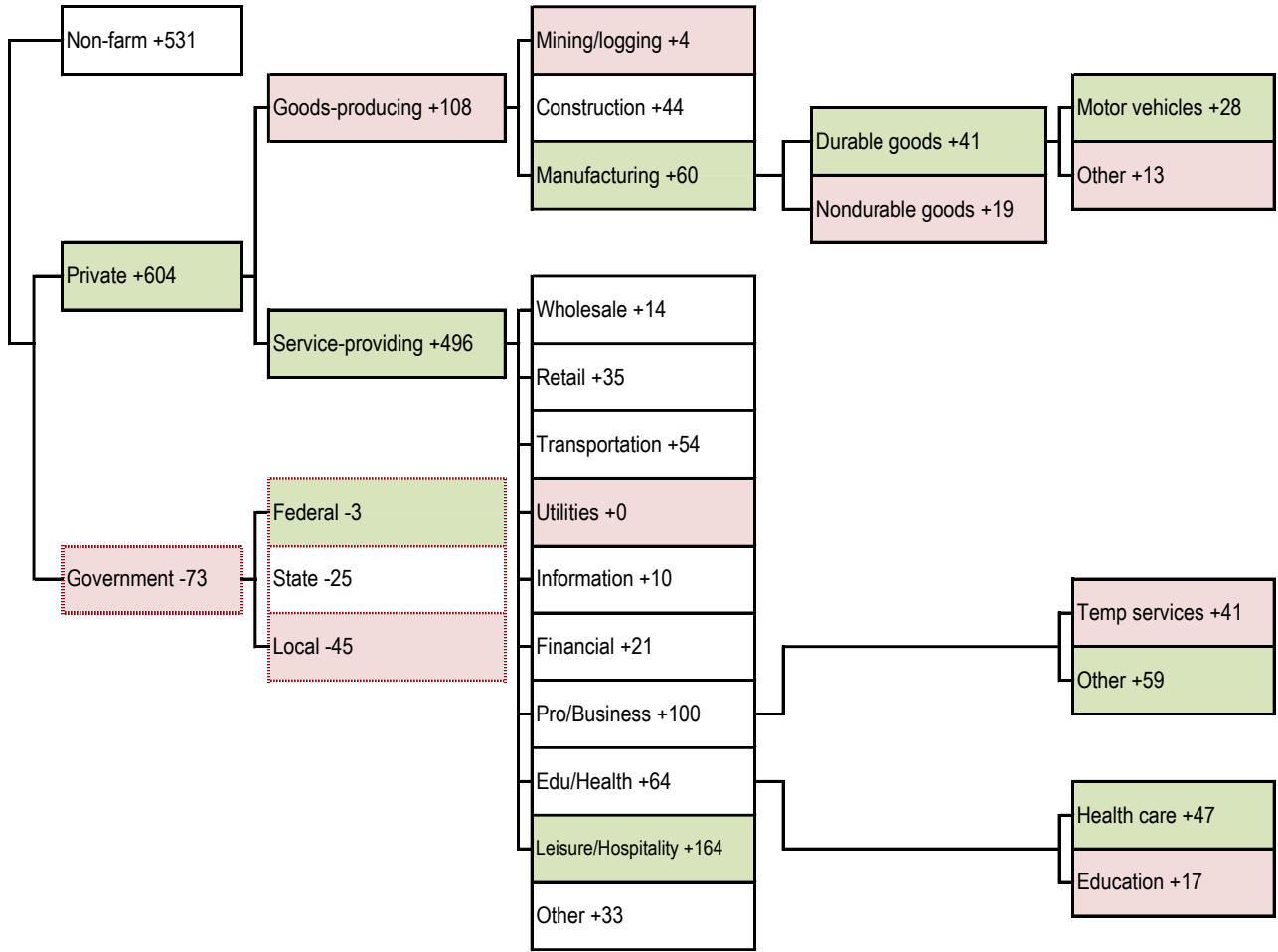
Labor market adaptation to pandemic conditions



Source: [BLS](#), TrendMacro calculations

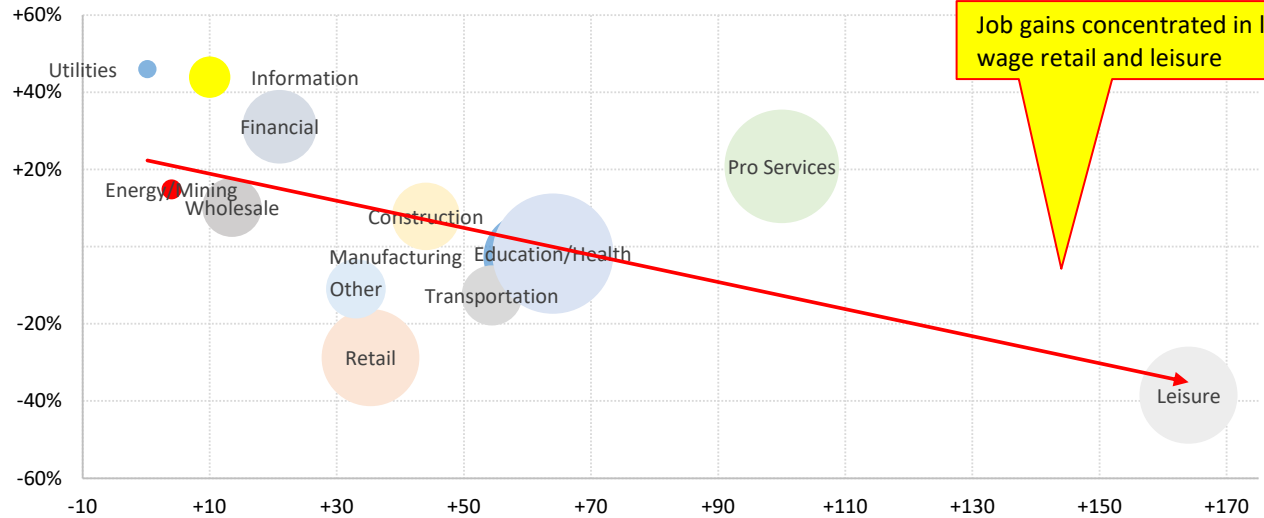
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

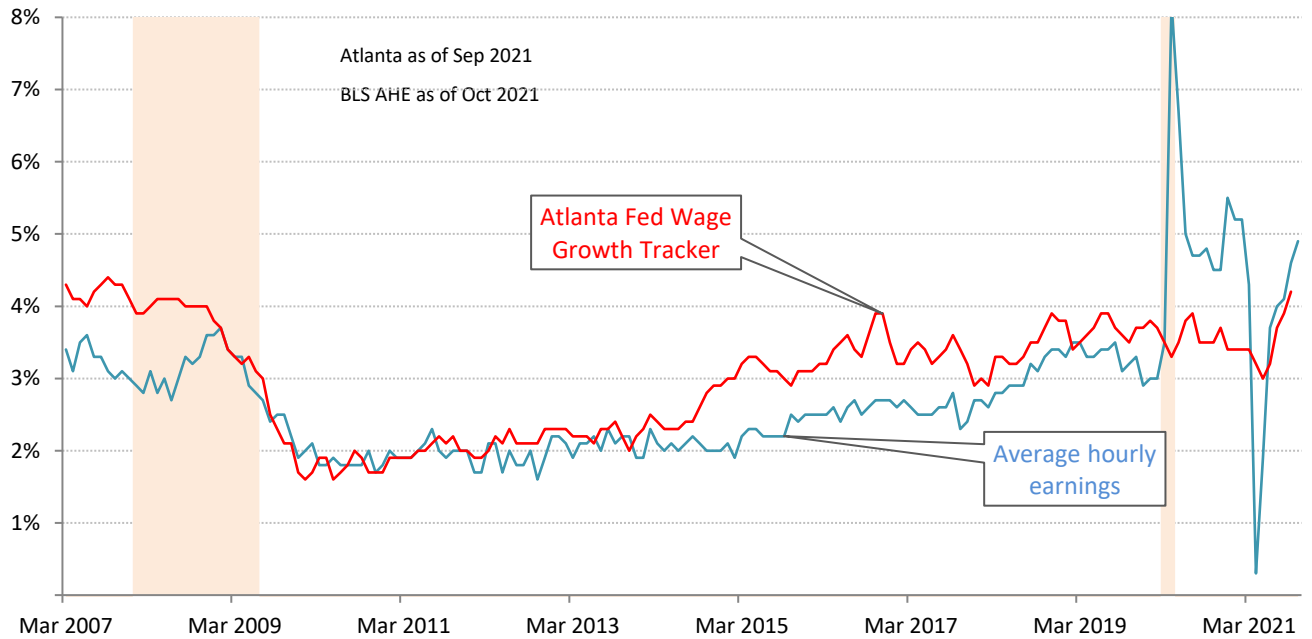
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

Solving the wage-growth puzzle

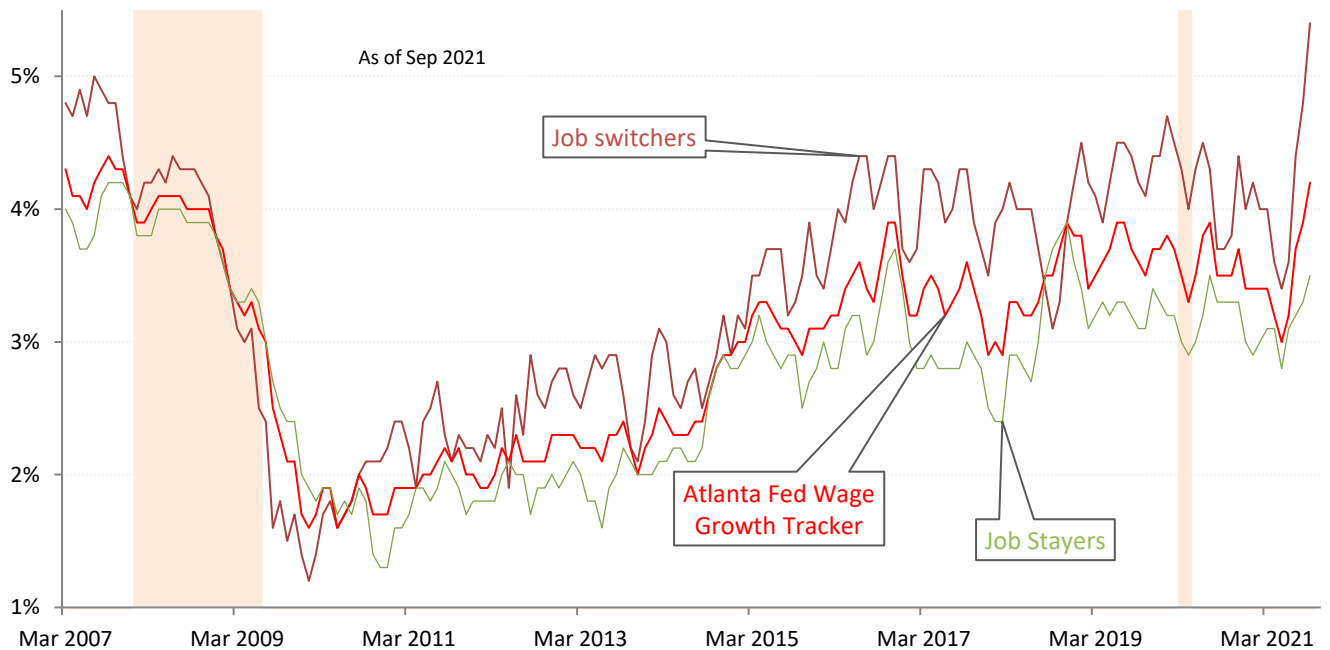
YOY average hourly earnings growth Atlanta Fed Wage Growth Index Recession



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

The wages of dynamism

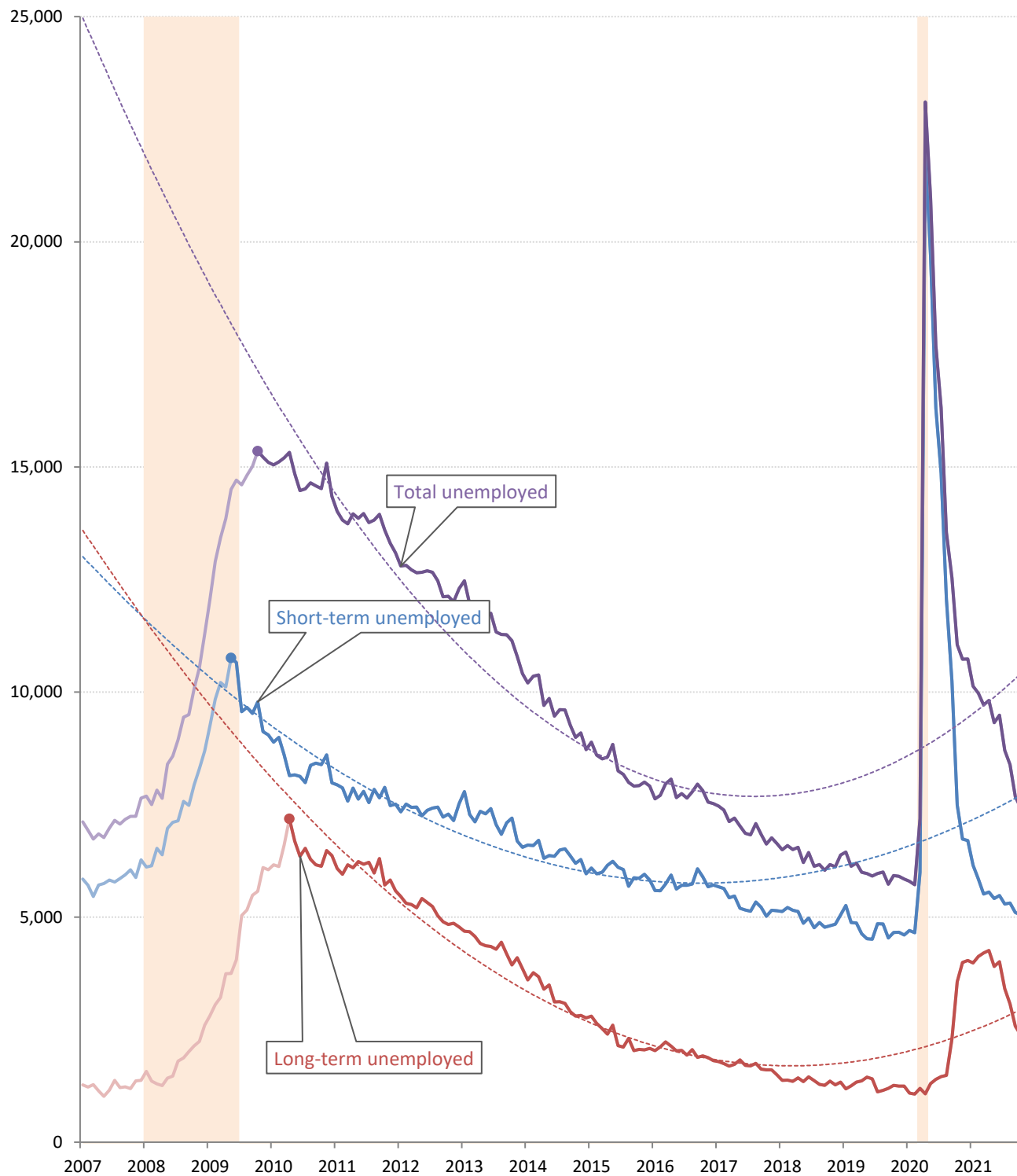
YOY wage growth for steady employees, versus those who change jobs Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

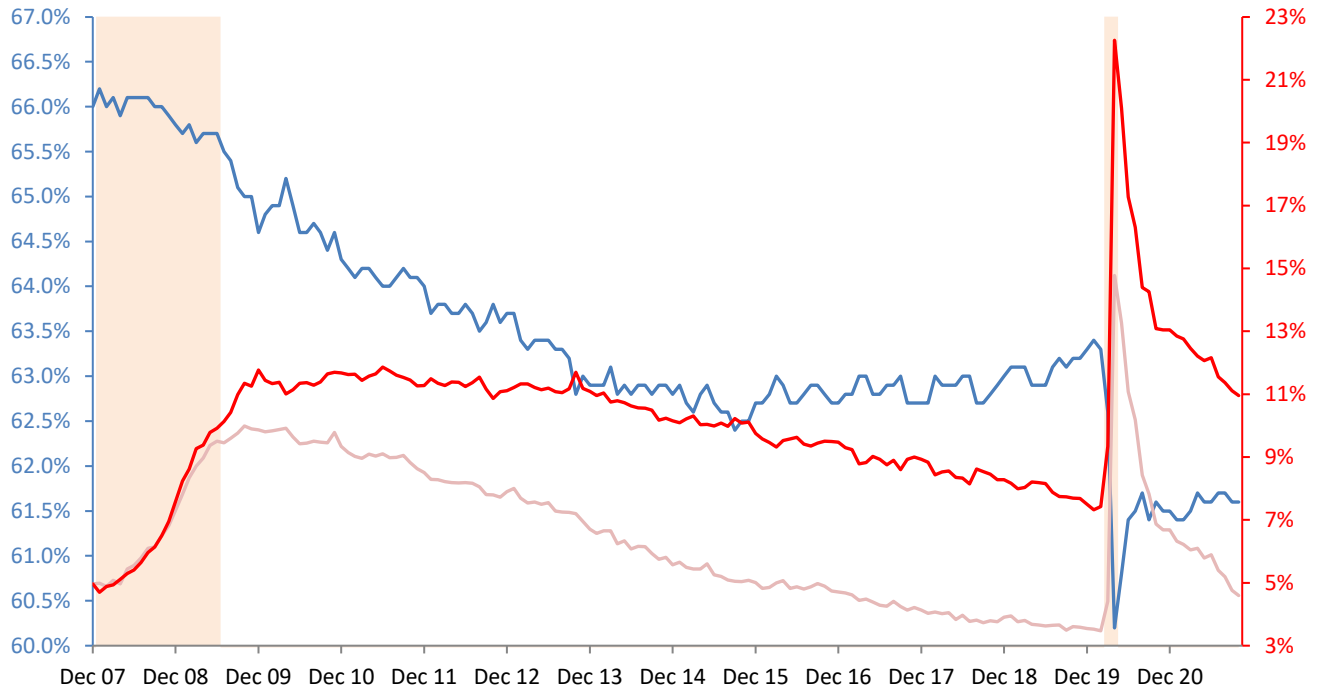
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

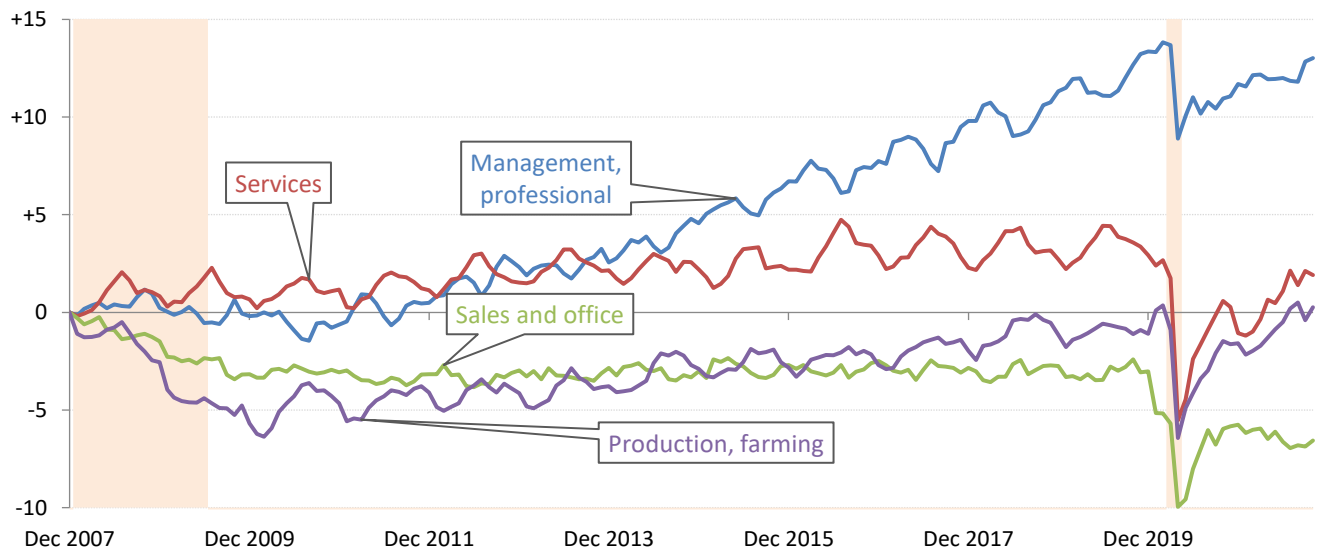
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the long boom and the virus crisis

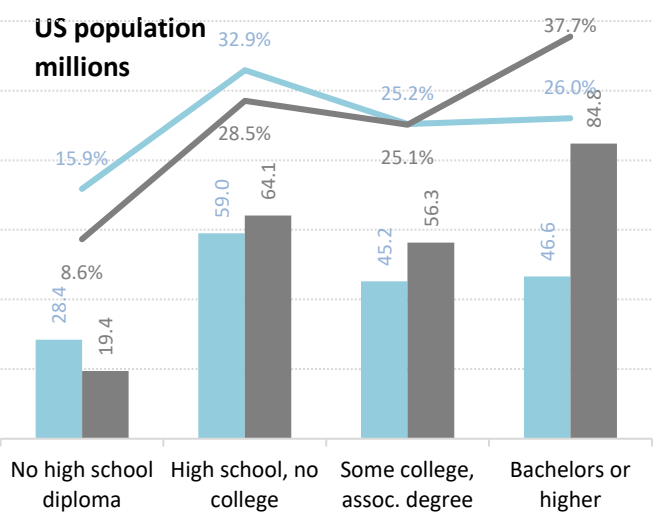
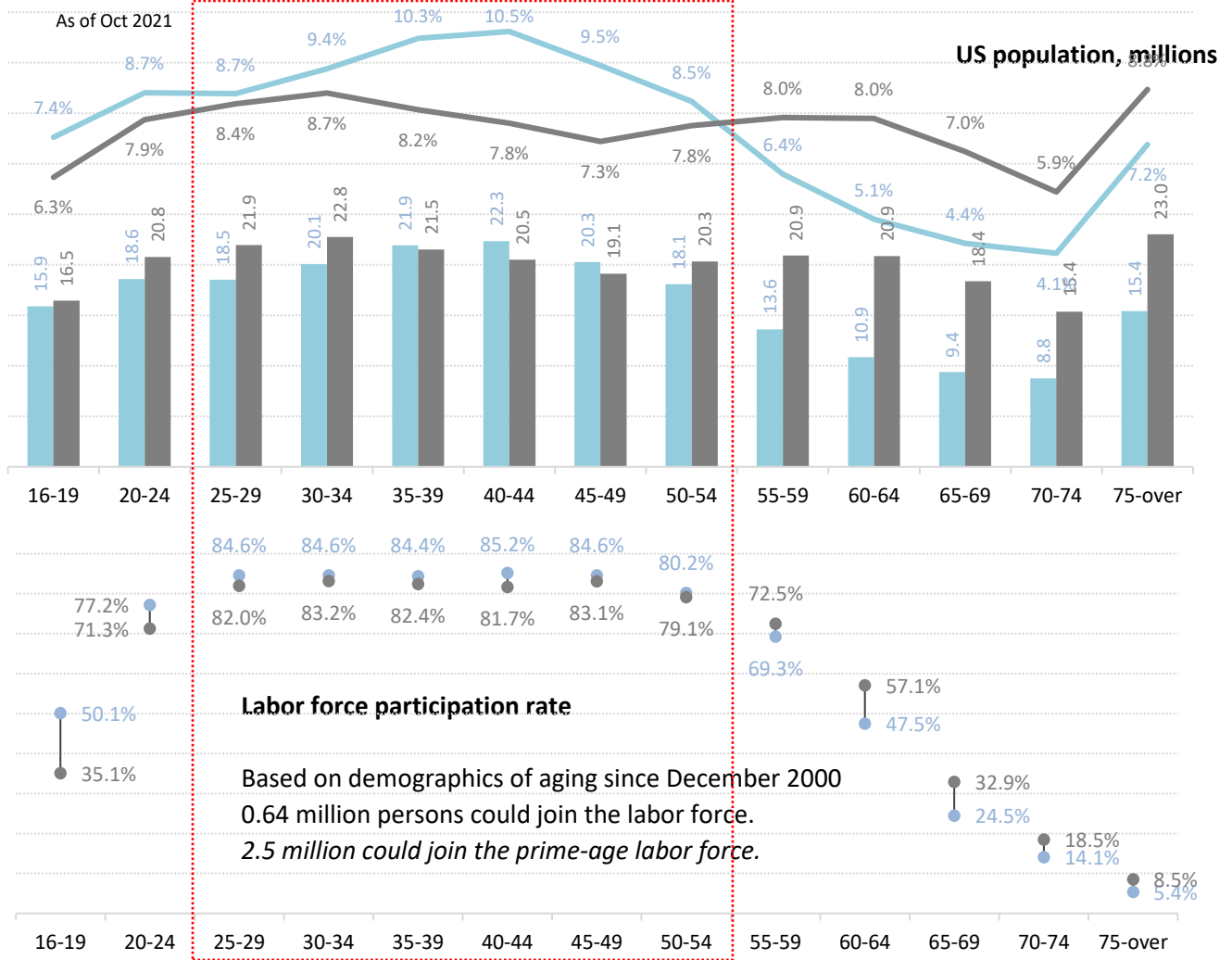
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

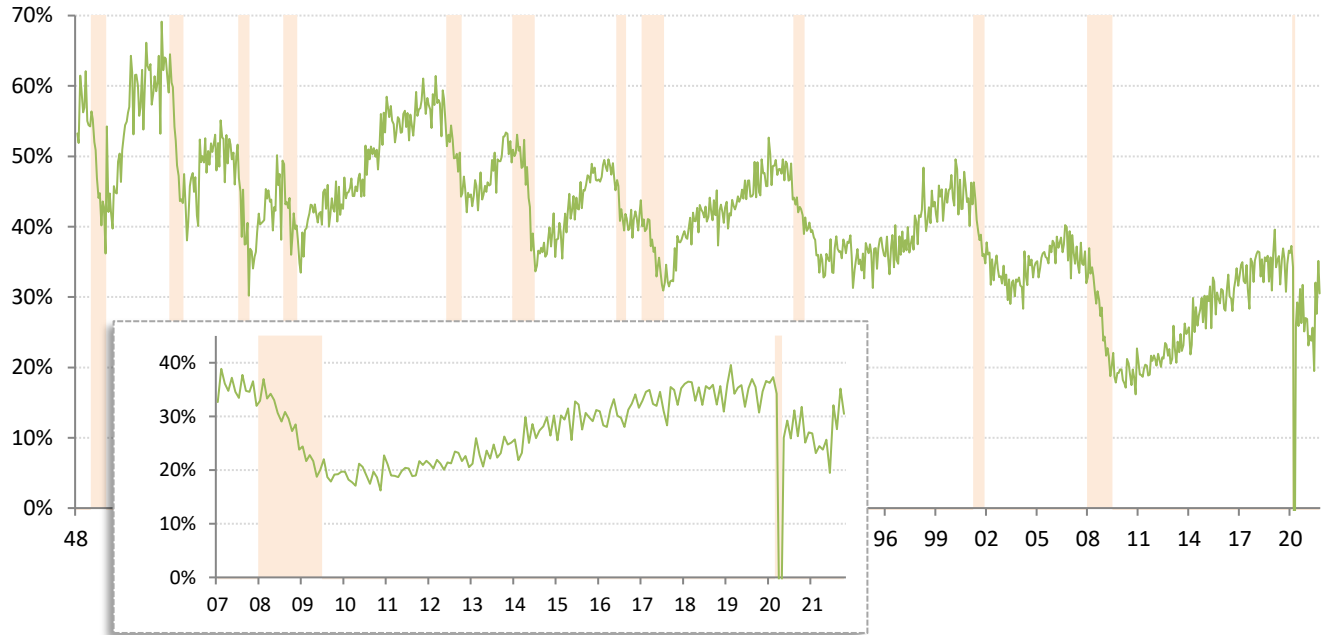
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

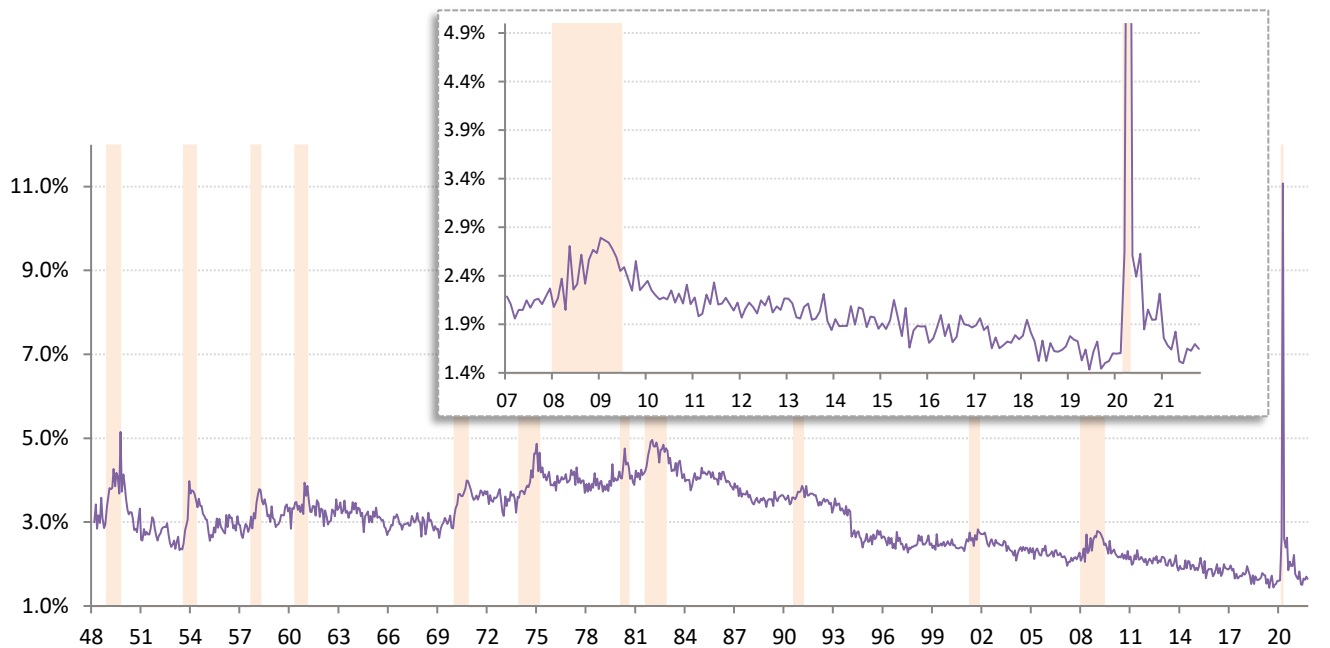
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

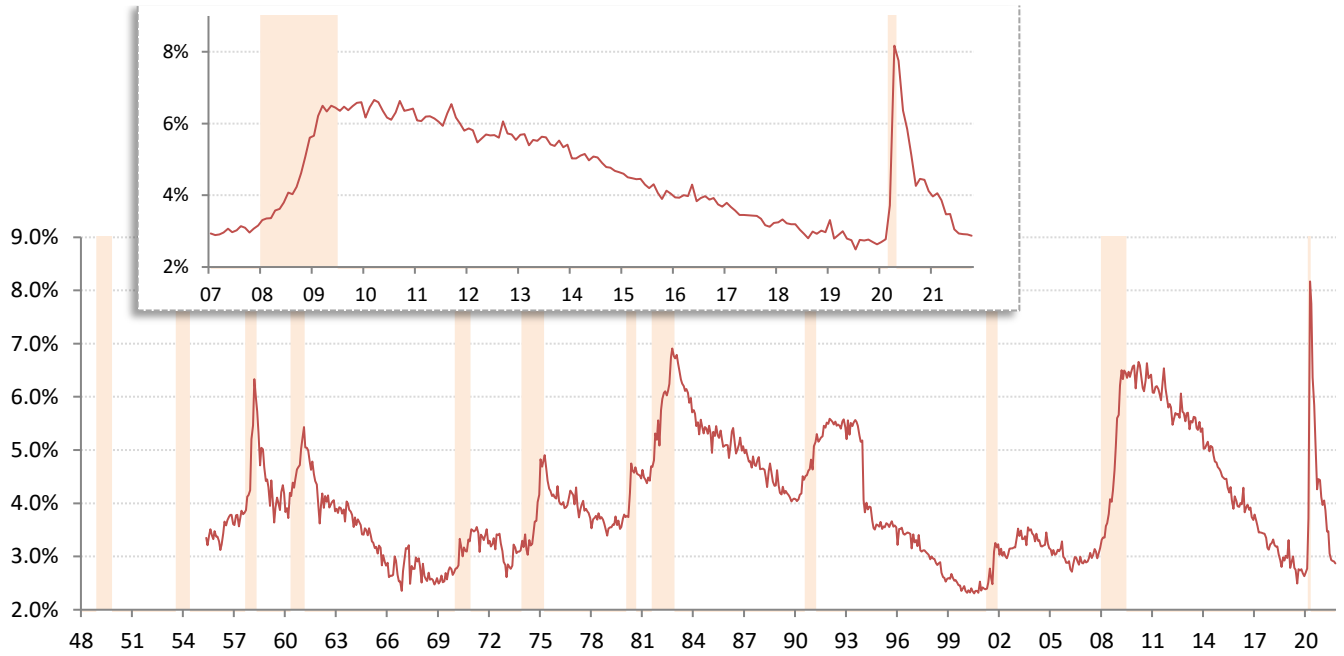
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

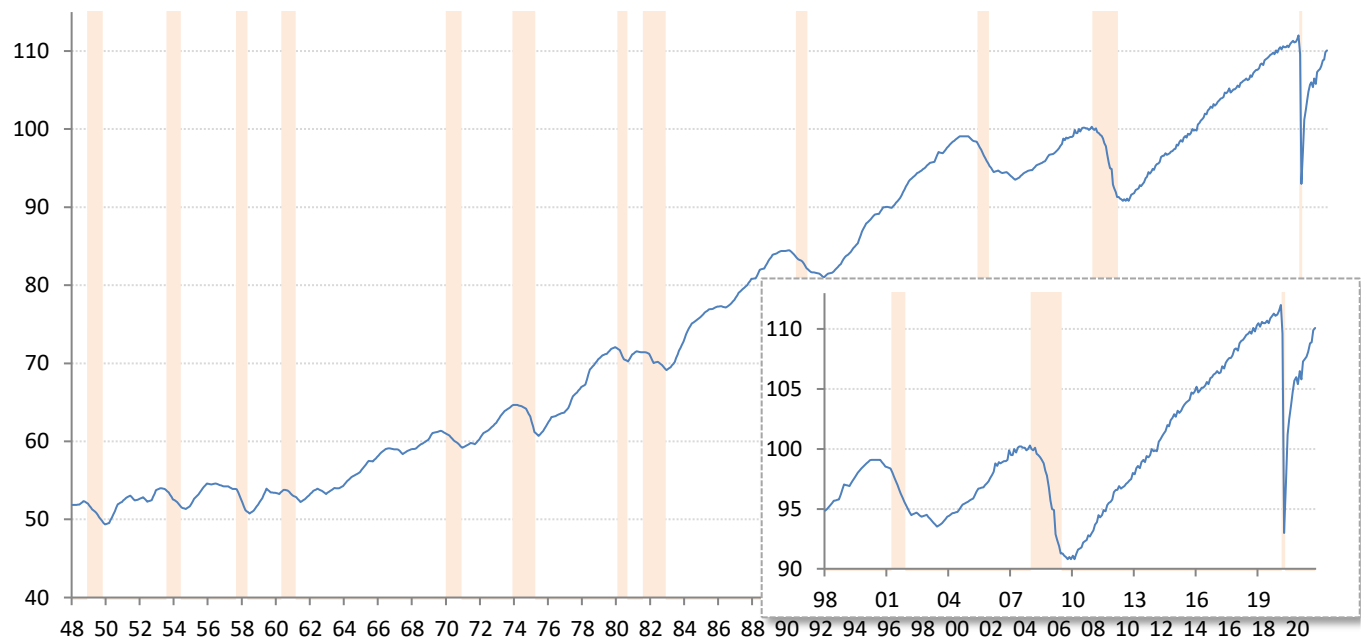
Persons available for full-time work ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations

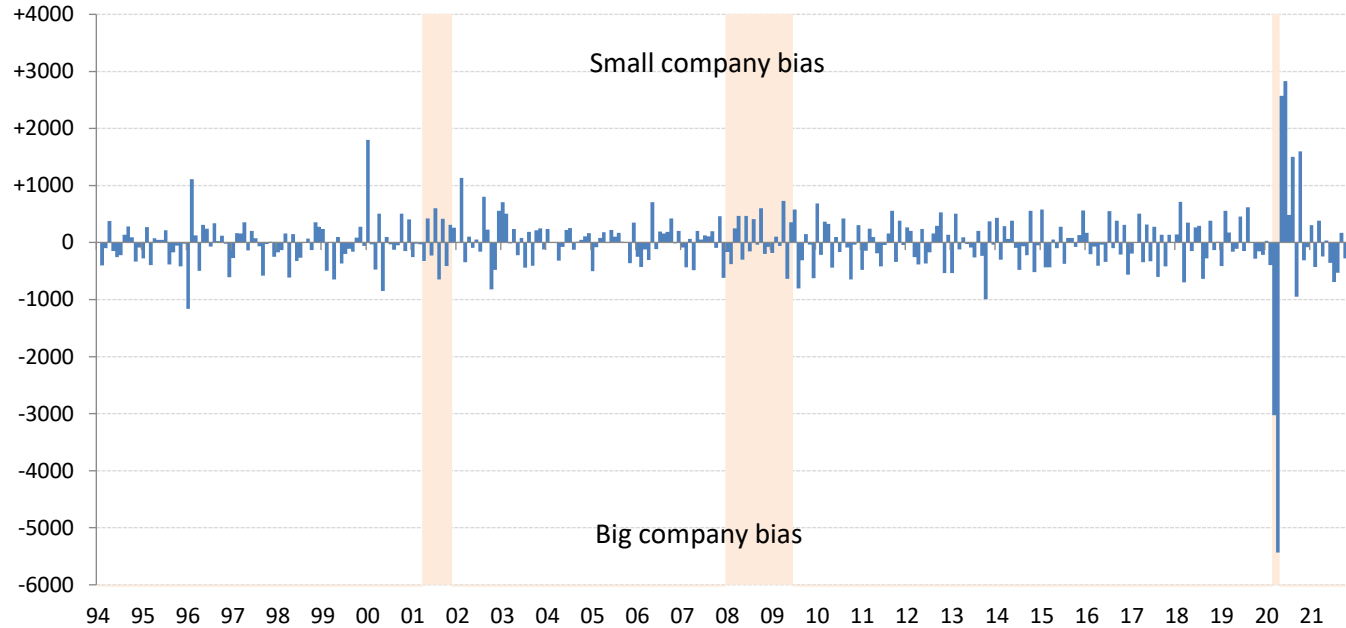
Aggregate weekly private hours-worked index

■ Recession



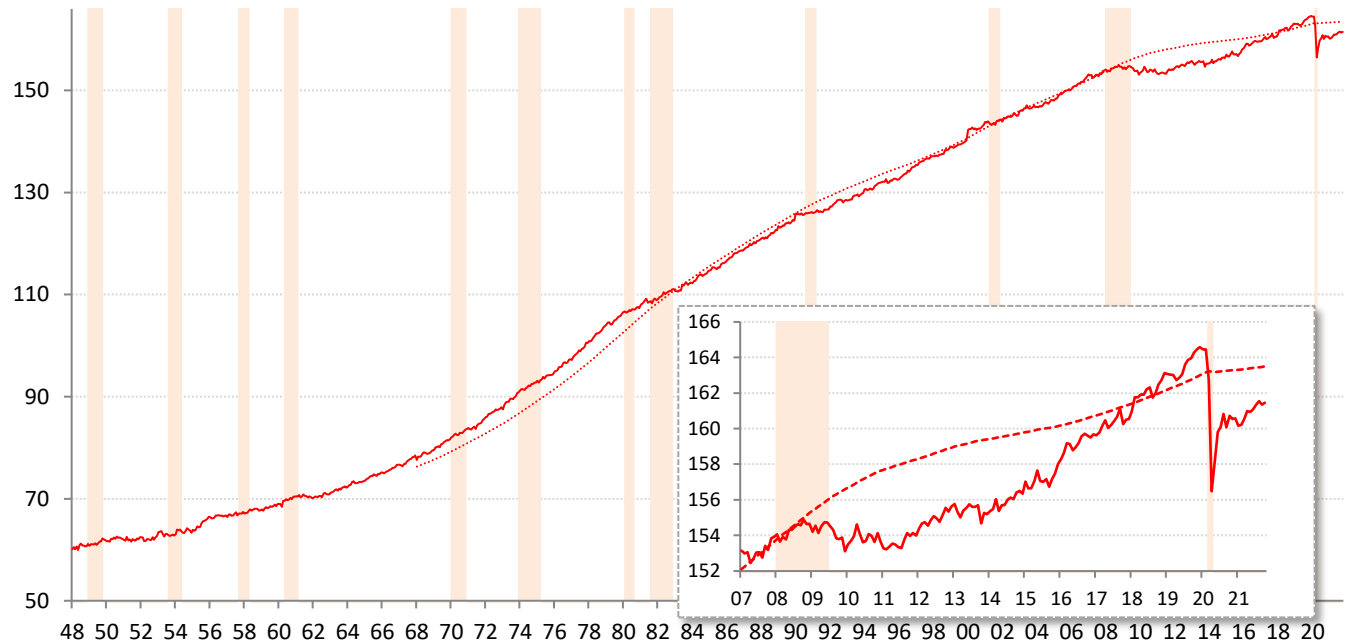
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



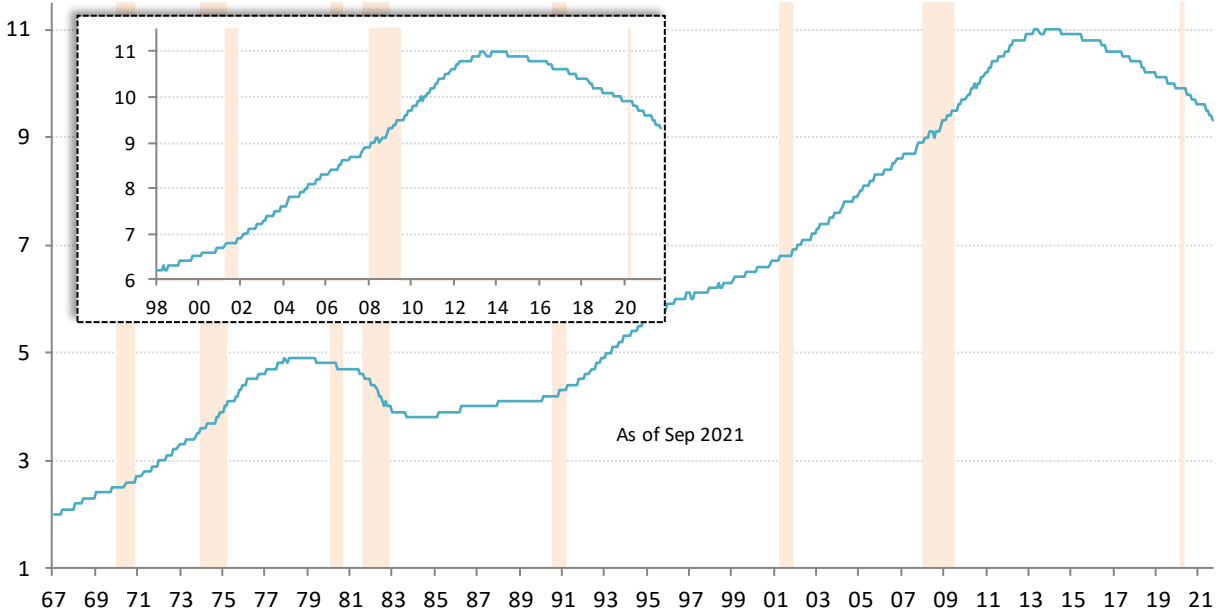
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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



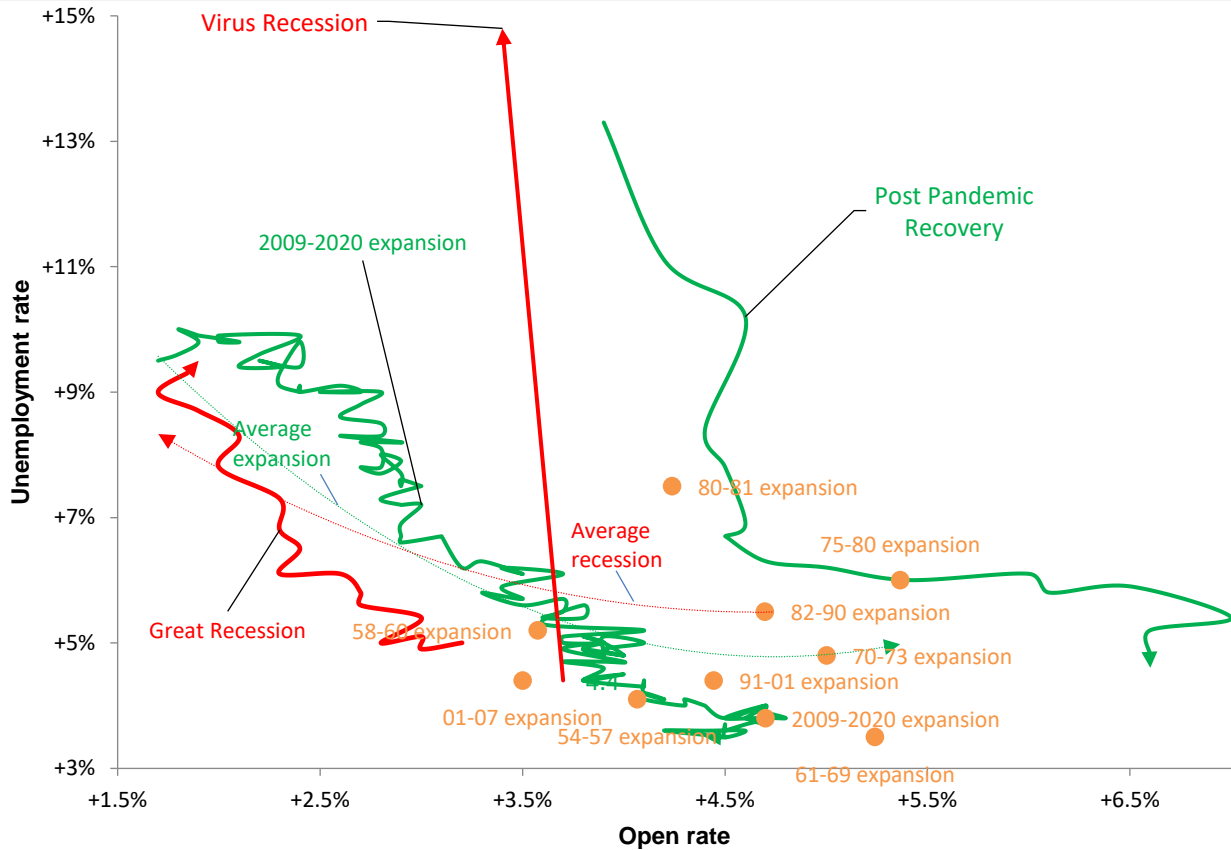
Source: BLS Current Population Survey, TrendMacro calculations

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



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

— Expansion — Recession ● Expansion extreme open rate (and matching UE rate), from 1954 to present



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