


Data Insights: Jobs

Friday, May 6, 2022

Today's jobs data: what you need to know

Non-farm payrolls	Change Apr: +428	Revision Mar: -3	Revision Feb: -36	
Private payrolls	Change Apr: +406	Revision Mar: -2	Revision Feb: -35	
Employment	Change Apr: -353			
Unemployment	Change Apr: -11			
Long-term unemployment	Change Apr: +138			
Civilian labor force	Change Apr: -363	0.24 million above trend	3.0% of leavers unemployed	
Unemployment rate	Apr: 3.62%	Change Apr: +0.00%		
Underemployment rate	Apr: 7.0%	Change Apr: +0.1%		
Participation rate	Apr: 62.2%	Change Apr: -0.2%		
UE adjusted for participation	Apr: 9.2%	Change Apr: +0.29%		
Average weeks unemployed	Apr: 25	Change Apr: +0.8		
% longterm unemployed	Apr: 25.2%	Change Apr: +1.3%		
Aggregate hours worked index	Apr: 112.2	Change Apr: +0.4%	Revision Mar: -1	
Average hourly earnings	Apr: +0.31%	Change Apr: -0.16%	Revision Mar: -0.01%	
Aggregate weekly earnings	Apr: 170.8	Change Apr: +0.6%	Revision Mar: -0.6	
Monthly job-finding probability	Apr: 37.6%	Change Apr: -4.0%		
Monthly separation probability	Apr: 1.8%	Change Apr: -0.0%		
% involuntary part-time	Apr: 2.6%	Change Apr: -0.1%		
"Household" vs "Payroll" jobs	Change Apr: -493			



















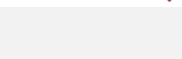
Source: Bureau of Labor Statistics, TrendMacro calculations

For more information contact us:

Donald Luskin: 312 273 6766 don@trendmacro.com

Thomas Demas: 704 552 3625 tdemas@trendmacro.com

Today's jobs data: a deeper dive

Non-farm payrolls SA	Change Apr: +428	Revision Dec: -160	Revision Nov: +1806	
Non-farm payrolls NSA	Change Apr: +1071	Revision Dec: +627	Revision Nov: -1067	
Birth-death adjustment	Change Apr: +340			
Employment	Change Apr: -353			
Unemployment rate	Apr: 3.62%	Change Apr: +0.00%		
White employment	Change Apr: -751			
White unemployment rate	Apr: 3.2%	Change Apr: 0.0%		
Black employment	Change Apr: +138			
Black unemployment rate	Apr: 5.9%	Change Apr: -0.3%		
Hispanic employment	Change Apr: -88			
Hispanic unemployment rate	Apr: 4.1%	Change Apr: -0.1%		
Asian employment	Change Apr: +44			
Asian unemployment rate	Apr: 3.1%	Change Apr: 0.3%		
HS only employment	Change Apr: -197			
HS only unemployment rate	Apr: 3.6%	Change Apr: -0.6%		
Men employment	Change Apr: -376			
Men unemployment rate	Apr: 3.8%	Change Apr: 0.2%		
Women employment	Change Apr: +25			
Women unemployment rate	Apr: 3.5%	Change Apr: -0.1%		

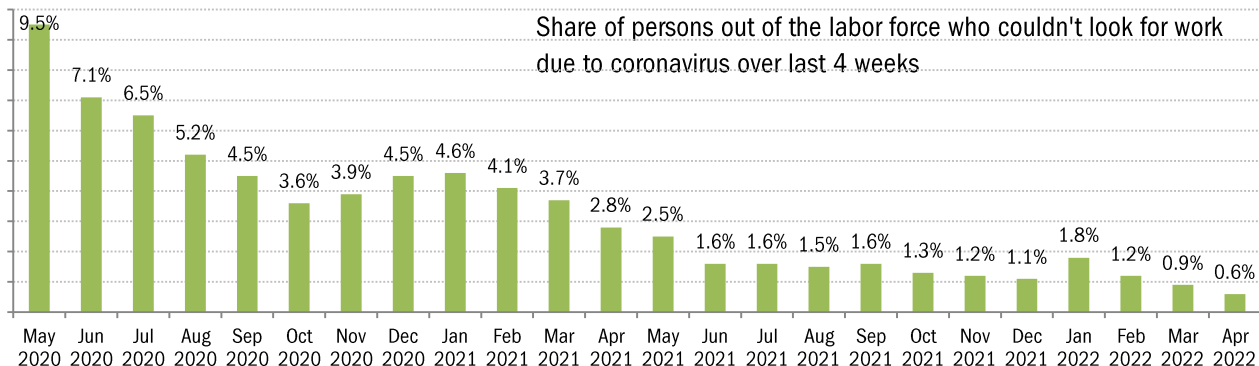
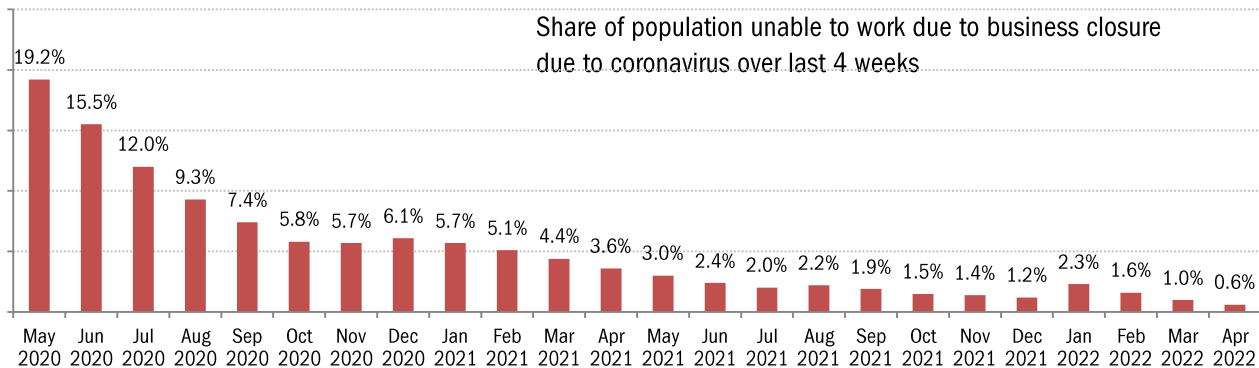
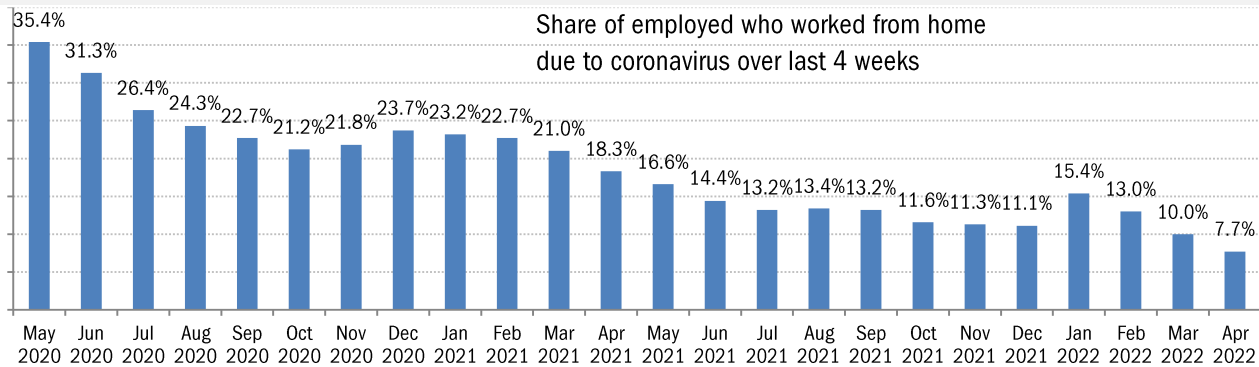
Source: Bureau of Labor Statistics, TrendMacro calculations

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
+247	50.9	49.5	-135	171	24,286	20	-2
Model estimate	Actual	Actual beat(+) or miss (-)					
+209	+428	+219					

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

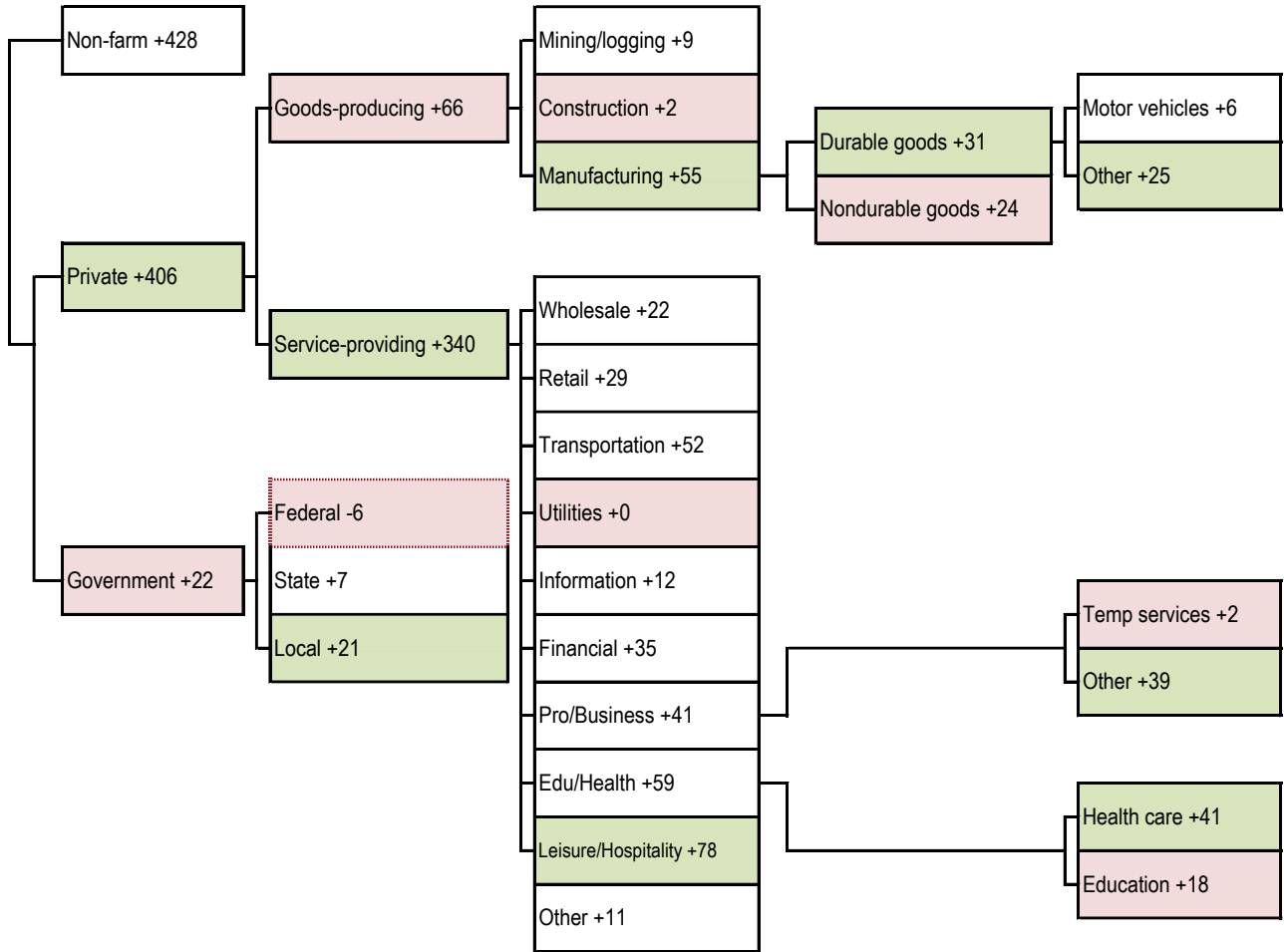
Labor market adaptation to pandemic conditions



Source: [BLS](#), TrendMacro calculations

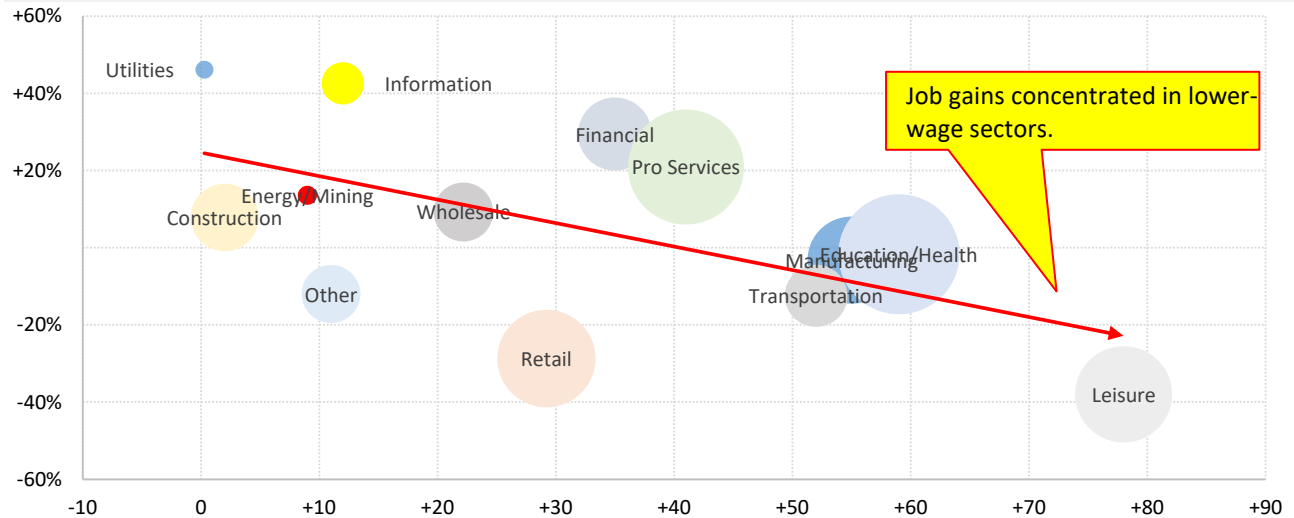
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

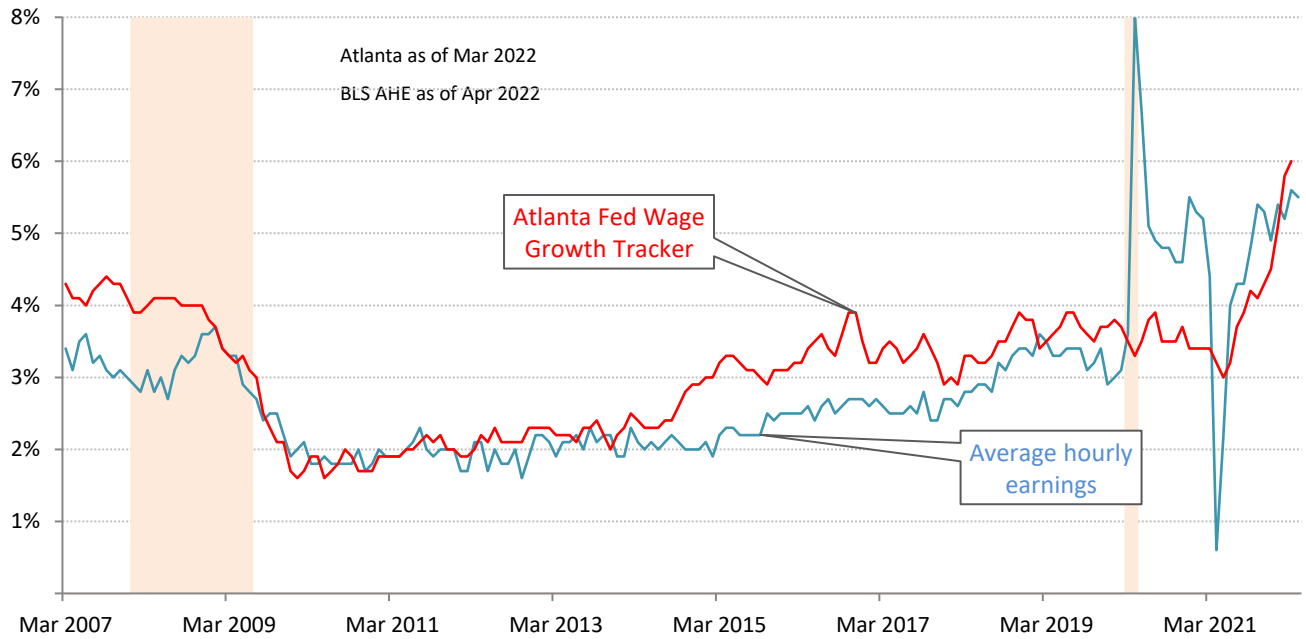
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

Solving the wage-growth puzzle

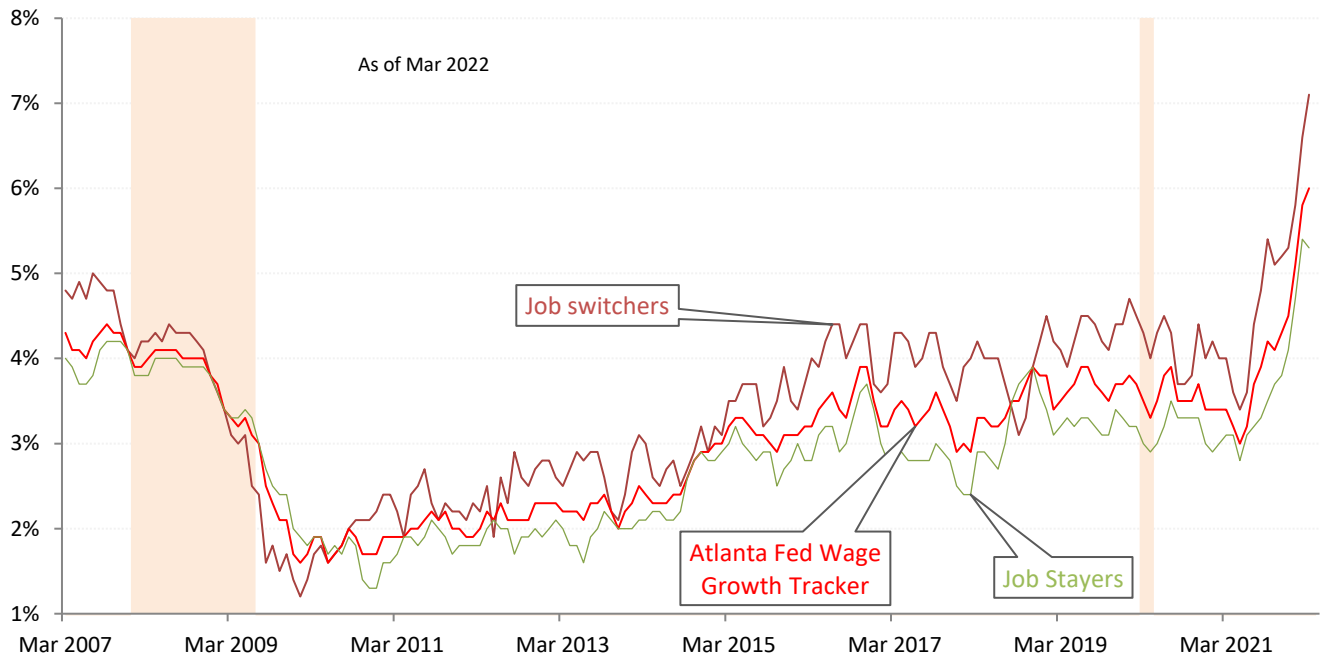
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

The wages of dynamism

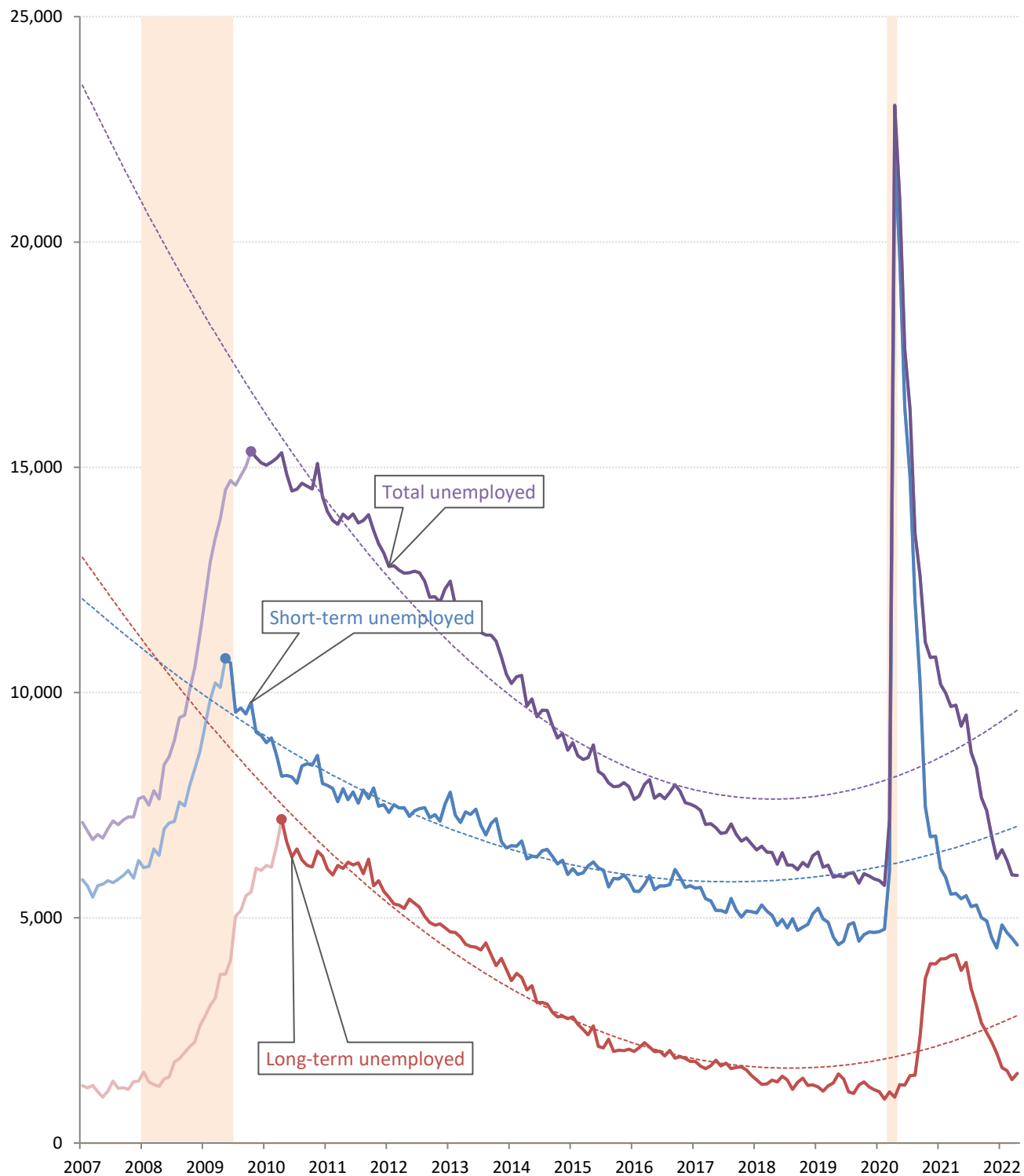
YOY wage growth for steady employees, versus those who change jobs ■ Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

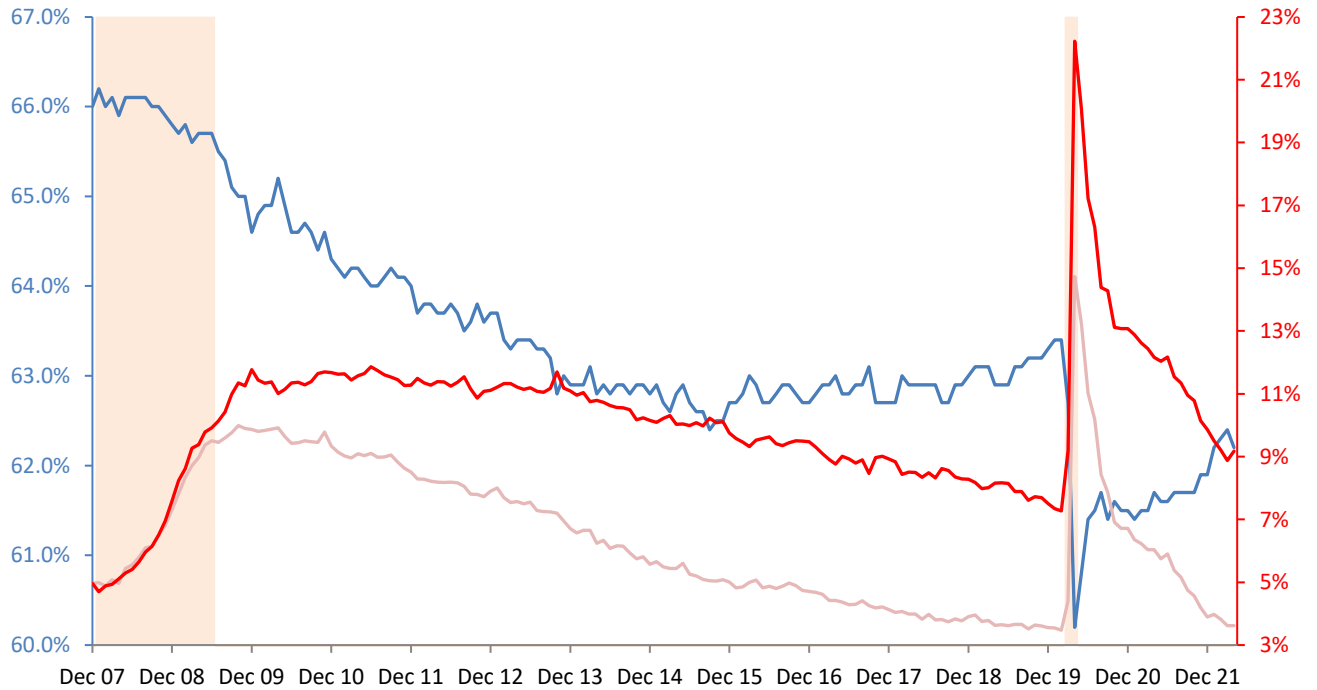
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

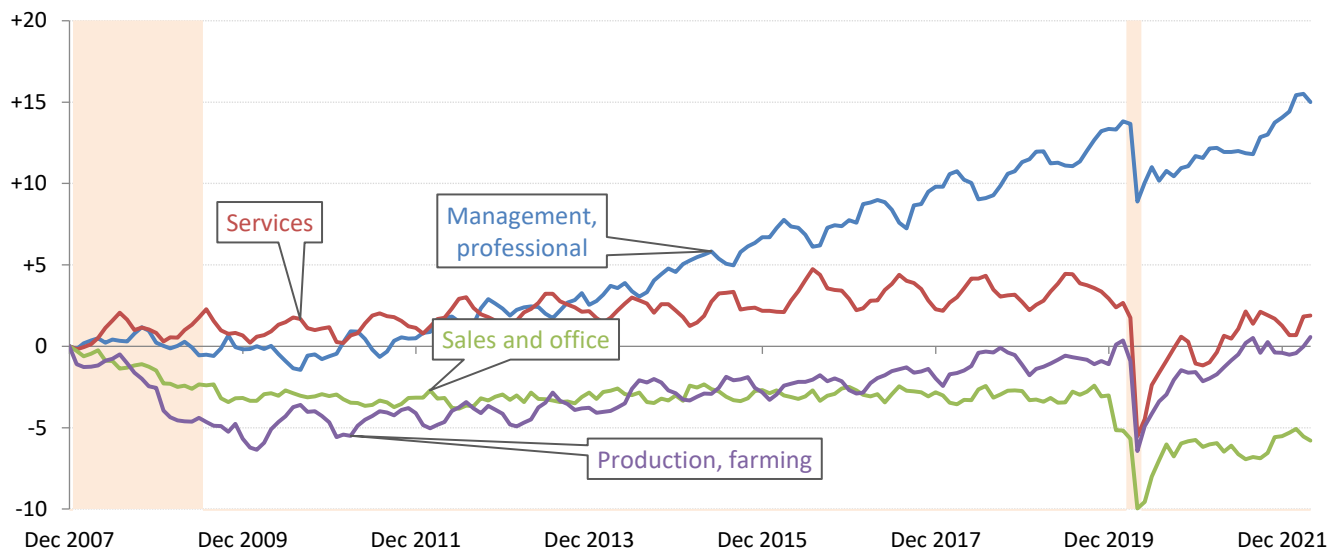
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the long boom and the virus crisis

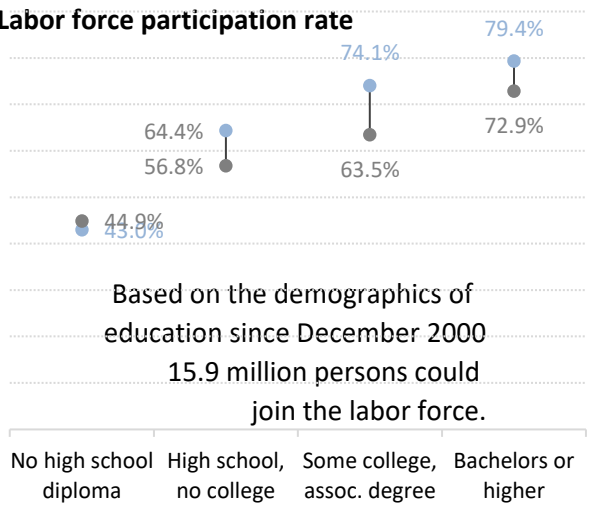
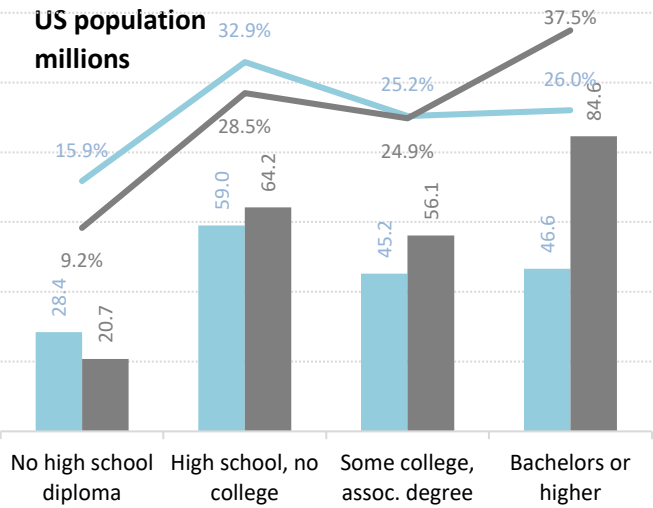
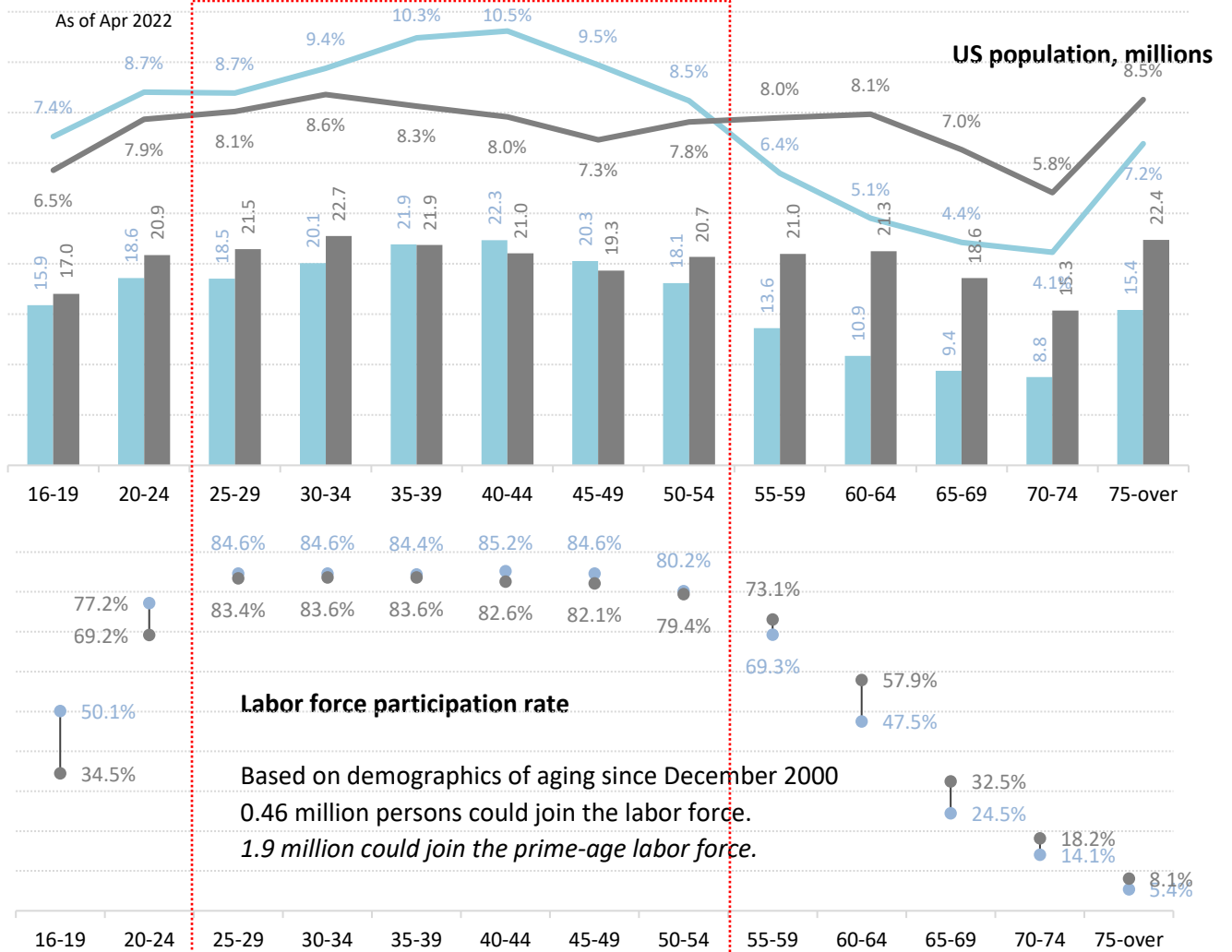
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

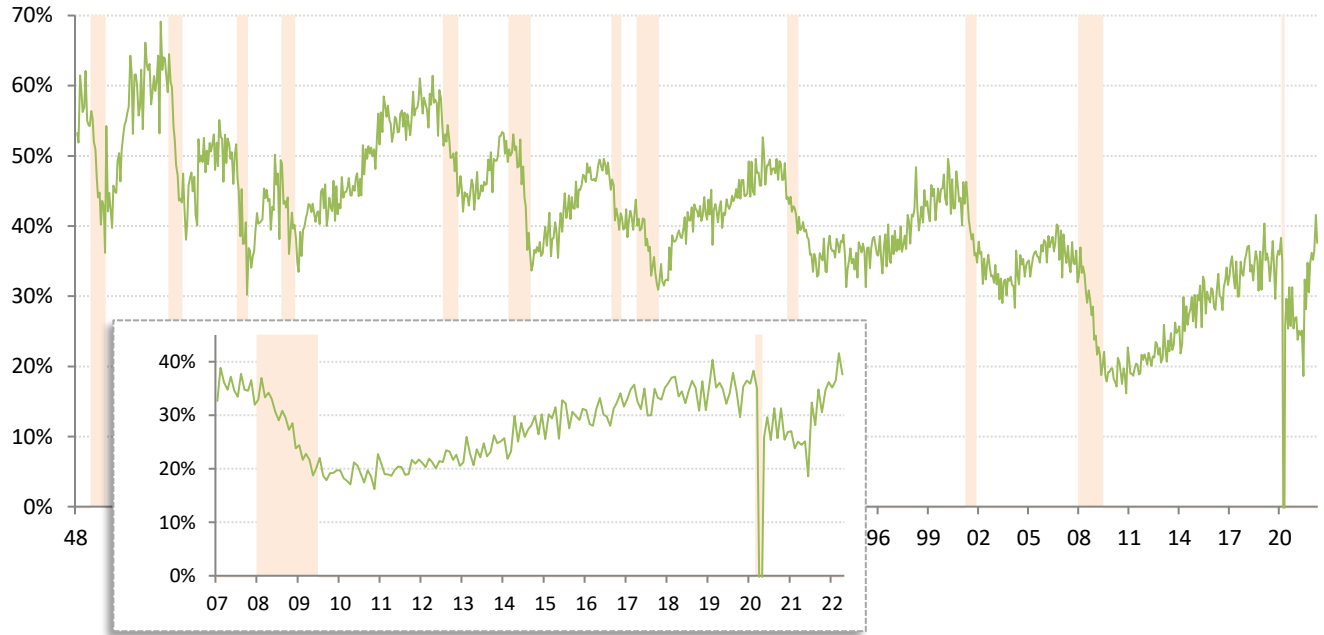
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

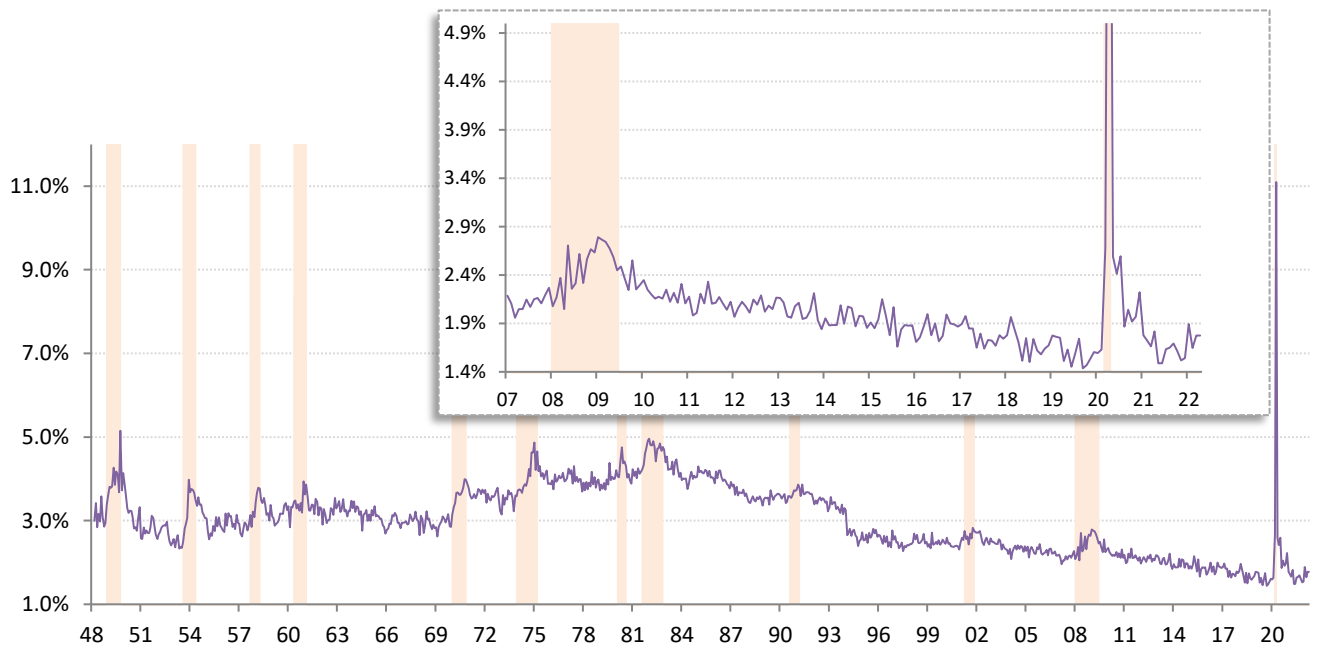
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

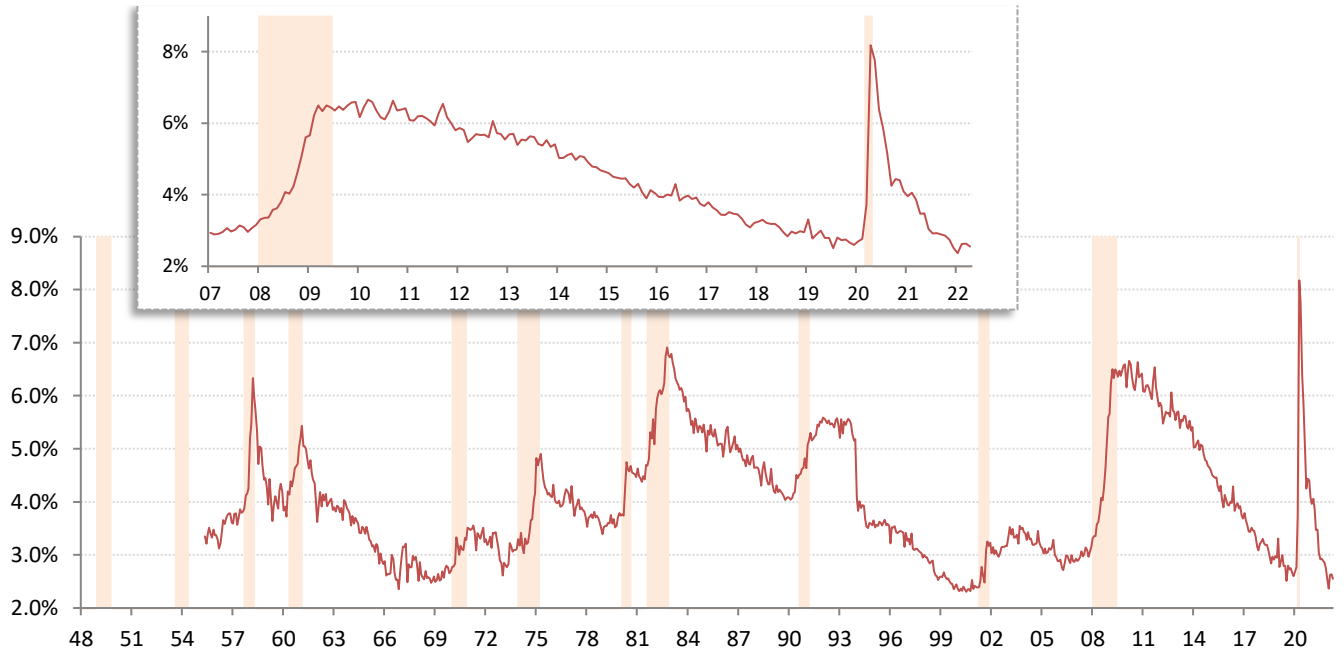
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

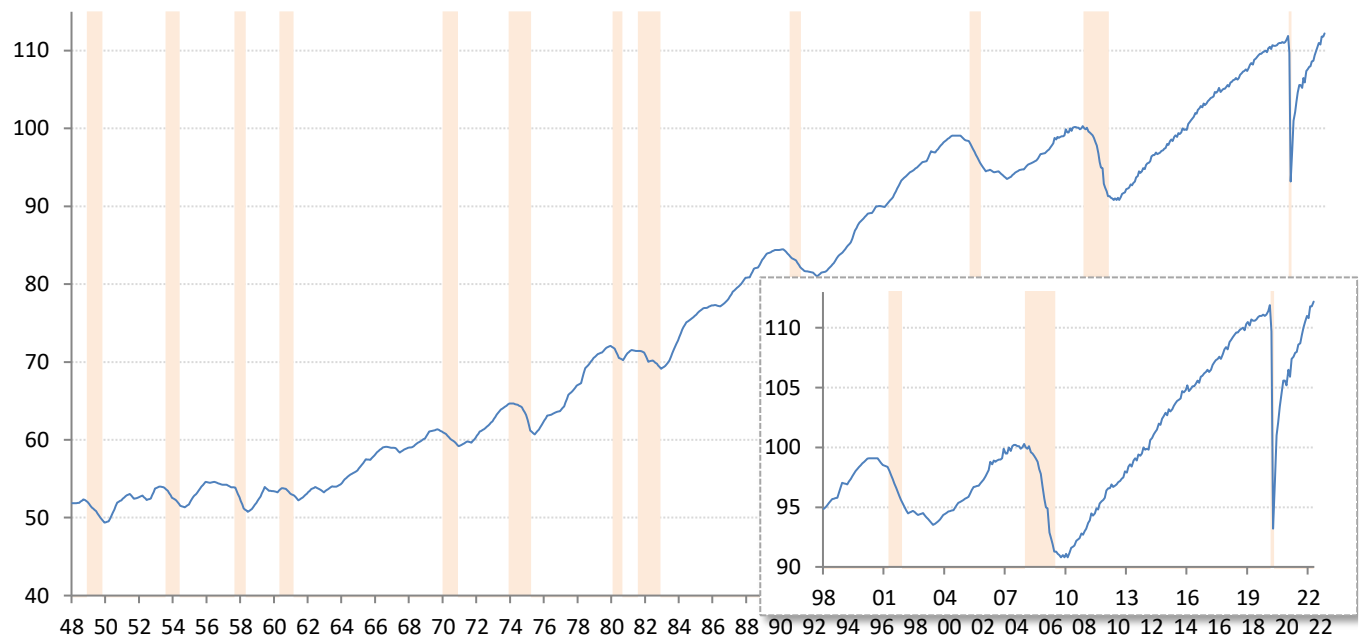
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



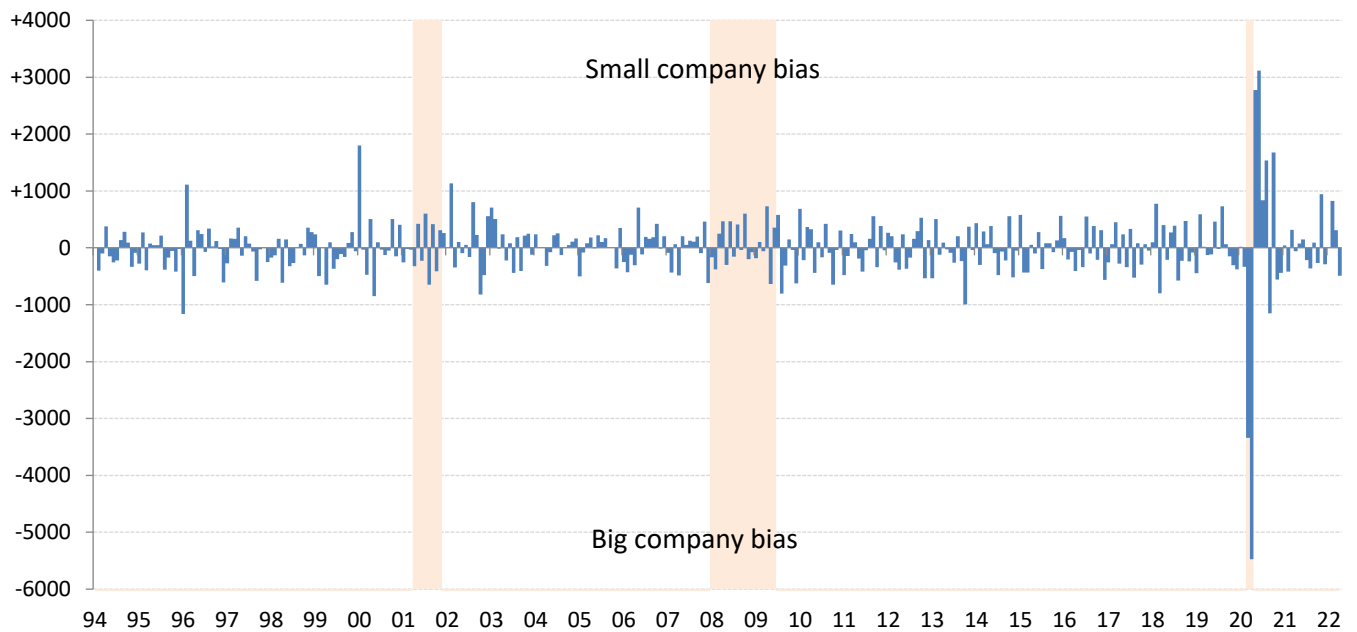
Source: BLS Current Population Survey, TrendMacro calculations

Aggregate weekly private hours-worked index ■ Recession



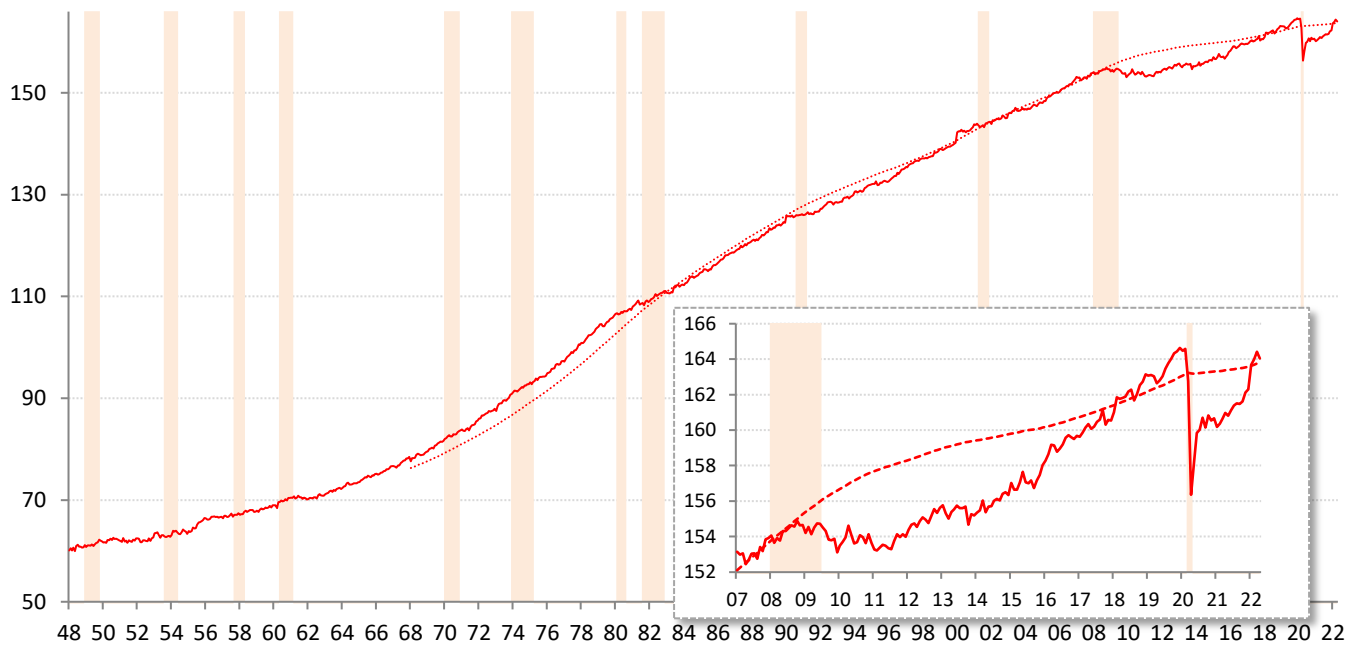
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



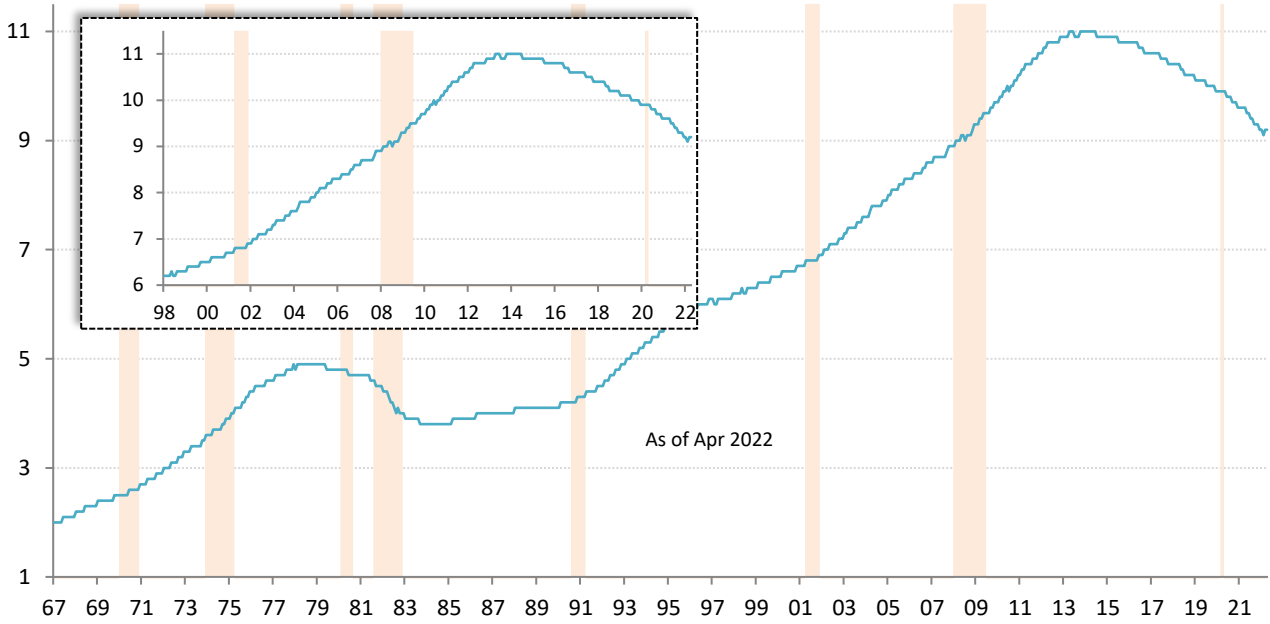
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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



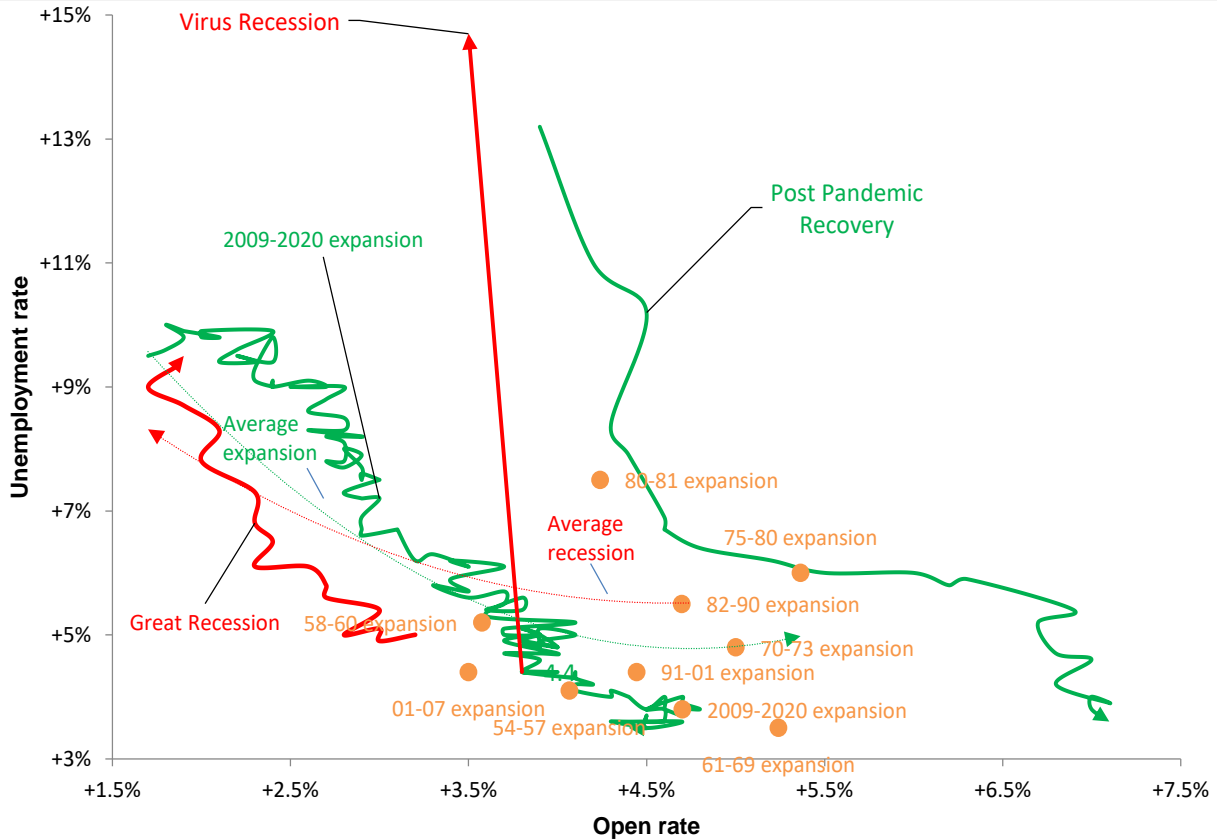
Source: BLS Current Population Survey, TrendMacro calculations

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