









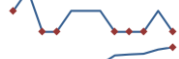




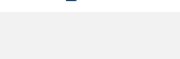
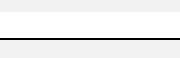


## Data Insights: Jobs

Friday, June 2, 2023

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

<b>Non-farm payrolls</b>	Change May: +339	Revision Apr: +41	Revision Mar: +52	
<b>Private payrolls</b>	Change May: +283	Revision Apr: +23	Revision Mar: +34	
<b>Employment</b>	Change May: -310			
<b>Unemployment</b>	Change May: +440			
<b>Long-term unemployment</b>	Change May: +94			
<b>Civilian labor force</b>	Change May: +130	2.09 million above trend	More than all entrants unemployed	
<b>Unemployment rate</b>	May: 3.65%	Change May: +0.26%		
<b>Underemployment rate</b>	May: 6.7%	Change May: +0.1%		
<b>Participation rate</b>	May: 62.6%	Change May: unch		
<b>UE adjusted for participation</b>	May: 8.6%	Change May: +0.25%		
<b>Average weeks unemployed</b>	May: 21.2	Change May: +0.3		
<b>% longterm unemployed</b>	May: 19.8%	Change May: -0.8%		
<b>Aggregate hours worked index</b>	May: 114.9	Change May: -0.1%	Revision Apr: unch	
<b>Average hourly earnings</b>	May: +0.33%	Change May: -0.06%	Revision Apr: +0.09%	
<b>Aggregate weekly earnings</b>	May: 183.7	Change May: +0.3%	Revision Apr: -0.2	
<b>Monthly job-finding probability</b>	May: 29.0%	Change May: -6.0%		
<b>Monthly separation probability</b>	May: 1.6%	Change May: +0.1%		
<b>% involuntary part-time</b>	May: 2.3%	Change May: -0.1%		
<b>"Household" vs "Payroll" jobs</b>	Change May: +55			

Source: Bureau of Labor Statistics, TrendMacro calculations

#### For more information contact us:

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## Today's jobs data: a deeper dive

<b>Non-farm payrolls SA</b>	Change May: +339	Revision Apr: +41	Revision Mar: +52	
<b>Non-farm payrolls NSA</b>	Change May: +920	Revision Apr: +54	Revision Mar: -5	
<b>Birth-death adjustment</b>	Change May: +231			
<b>Employment</b>	Change May: -310			
<b>Unemployment rate</b>	May: 3.65%	Change May: +0.26%		
<b>White employment</b>	Change May: -112			
<b>White unemployment rate</b>	May: 3.3%	Change May: 0.2%		
<b>Black employment</b>	Change May: -125			
<b>Black unemployment rate</b>	May: 5.6%	Change May: 0.9%		
<b>Hispanic employment</b>	Change May: +222			
<b>Hispanic unemployment rate</b>	May: 4.0%	Change May: -0.4%		
<b>Asian employment</b>	Change May: unch			
<b>Asian unemployment rate</b>	May: 2.9%	Change May: 0.1%		
<b>HS only employment</b>	Change May: -34491			
<b>HS only unemployment rate</b>	May: #DIV/0!	Change May: #DIV/0!		
<b>Men employment</b>	Change May: -201			
<b>Men unemployment rate</b>	May: 3.7%	Change May: 0.2%		
<b>Women employment</b>	Change May: -109			
<b>Women unemployment rate</b>	May: 3.6%	Change May: 0.3%		

Source: Bureau of Labor Statistics, TrendMacro calculations

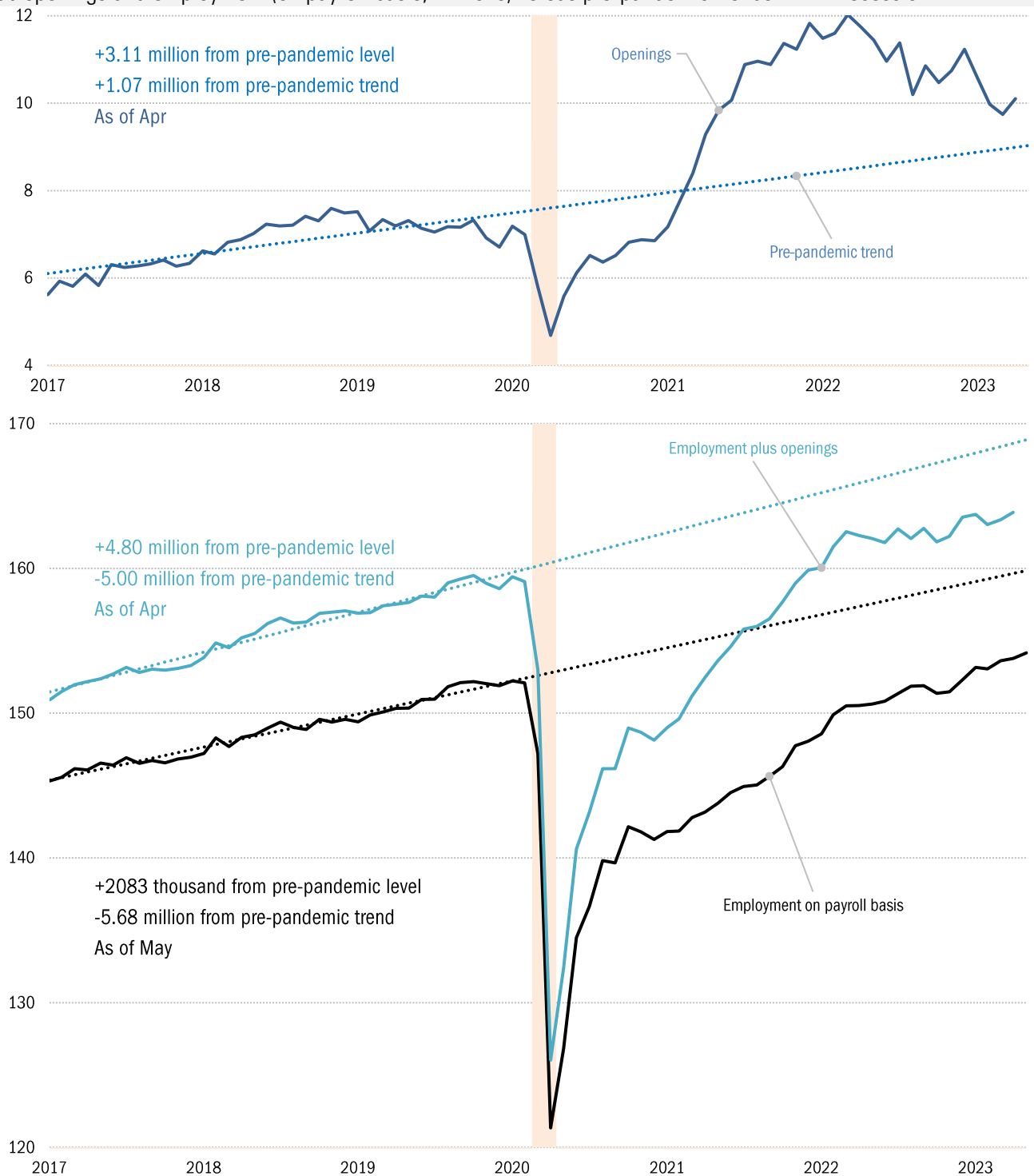
## TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+278	51.4	50.8	+3	242	80,089	19	-2
<b>Model estimate</b>	<b>Actual</b>	<b>Actual beat(+) or miss (-)</b>					
+207	+339	+132					

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

# Is the labor market tight or slack?

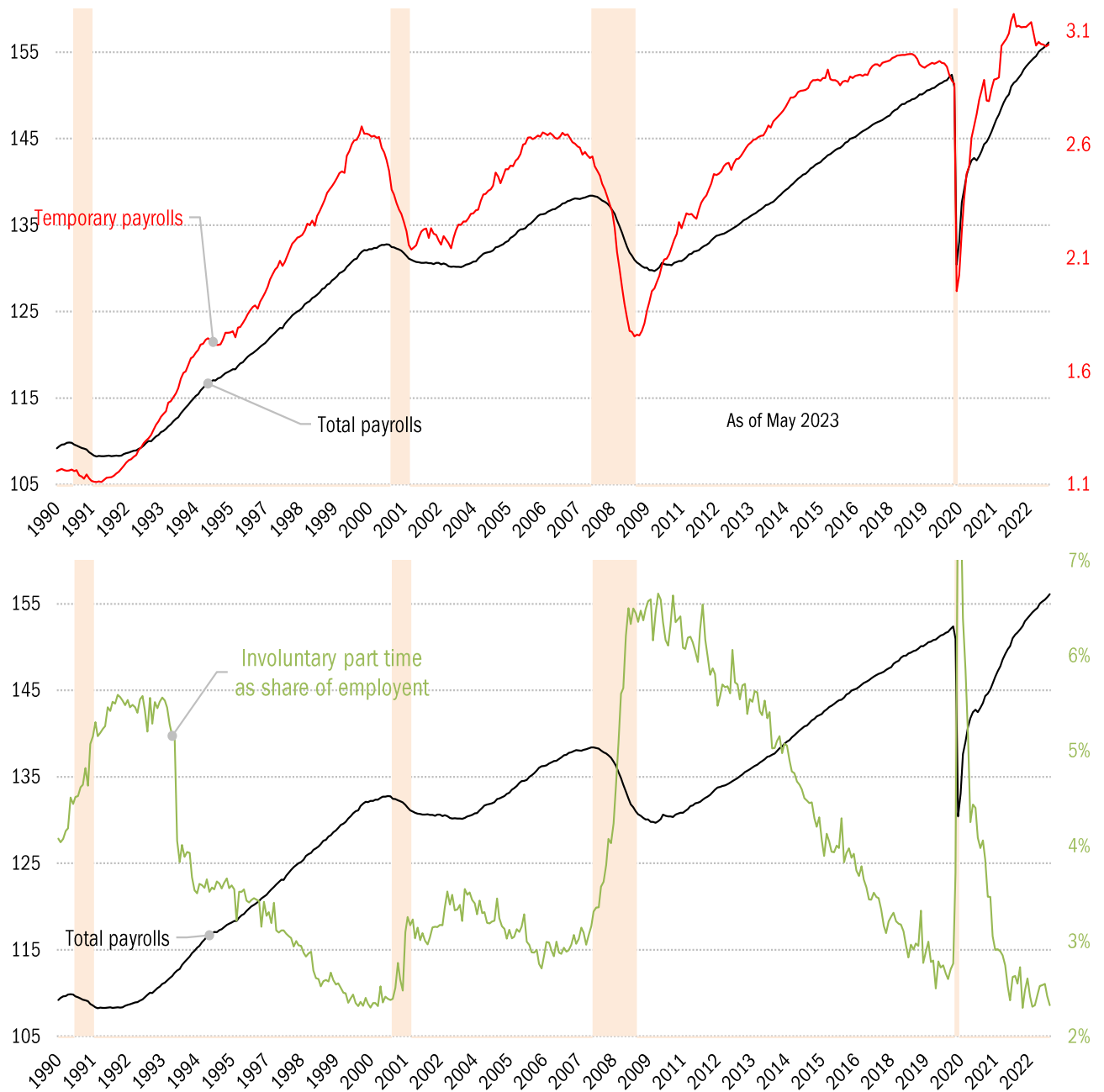
Job openings and employment (on payroll basis, millions) versus pre-pandemic trends ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

# Is the temporary jobs market warning us??

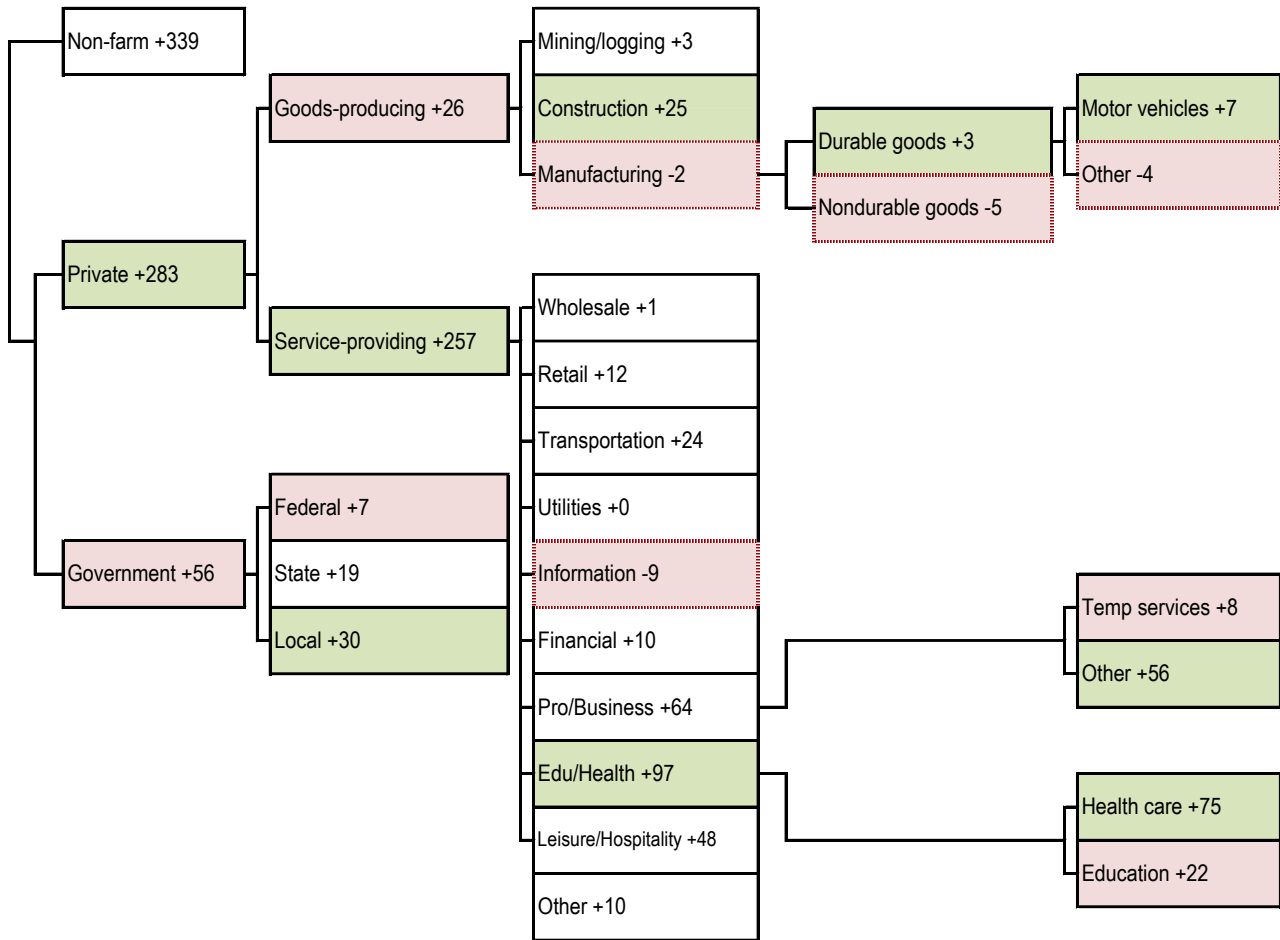
Regular and temporary payrolls (millions) and part-timers (share) ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

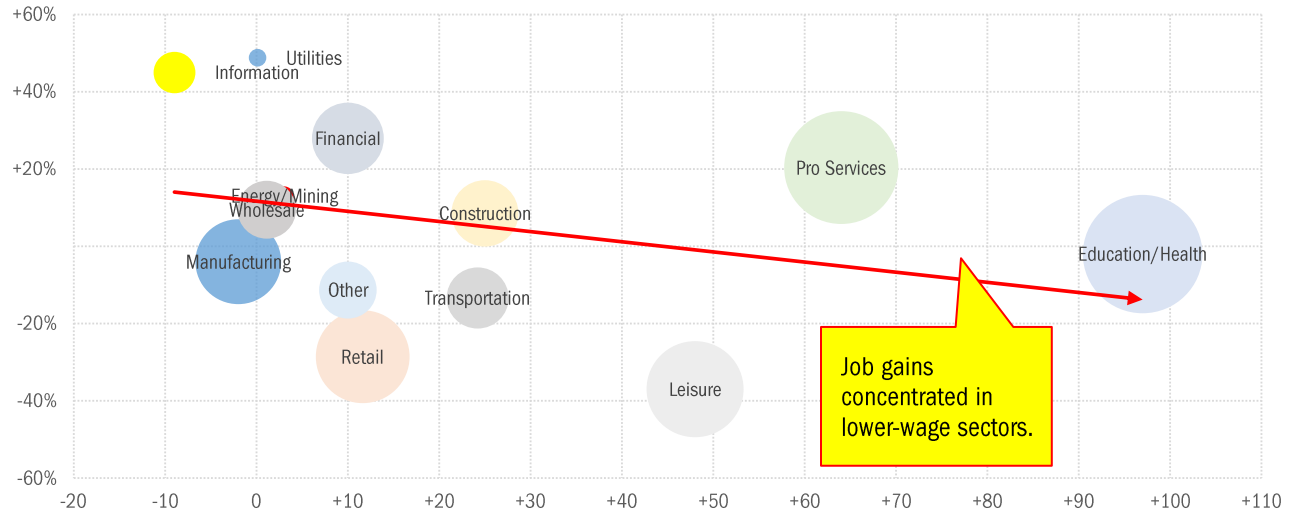
# Today's payroll data: what you need to know -- where did the jobs come from?

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



## Where is the pay coming from?

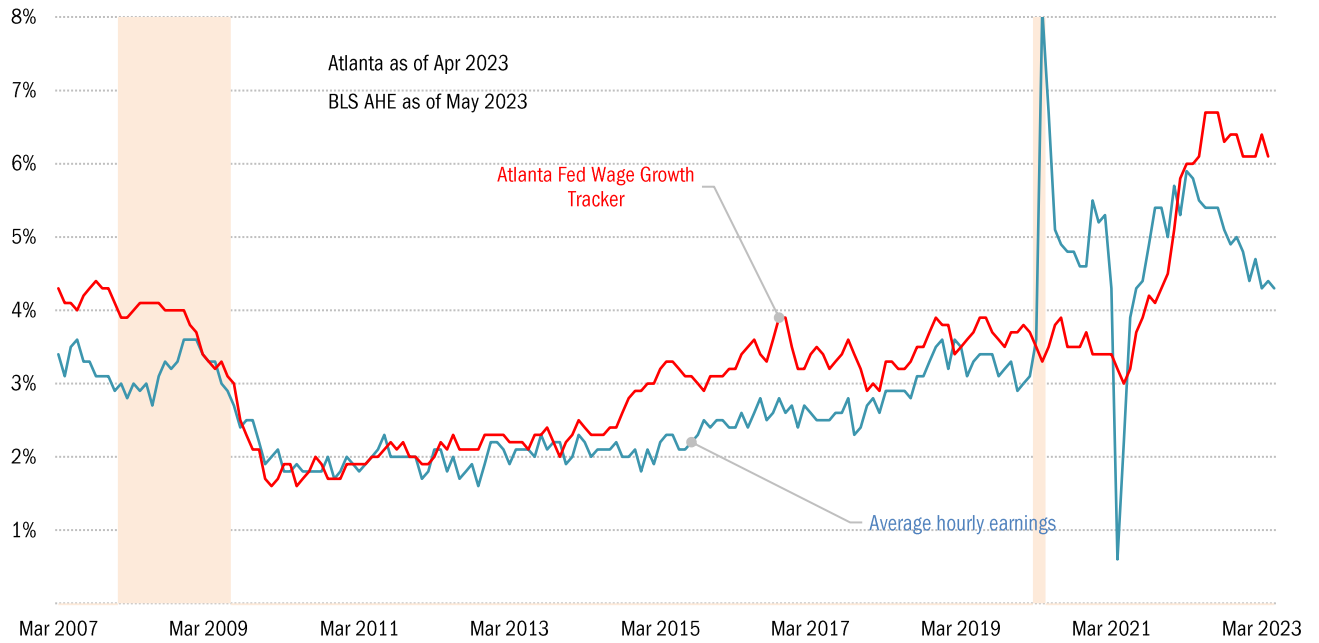
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

## Solving the wage-growth puzzle

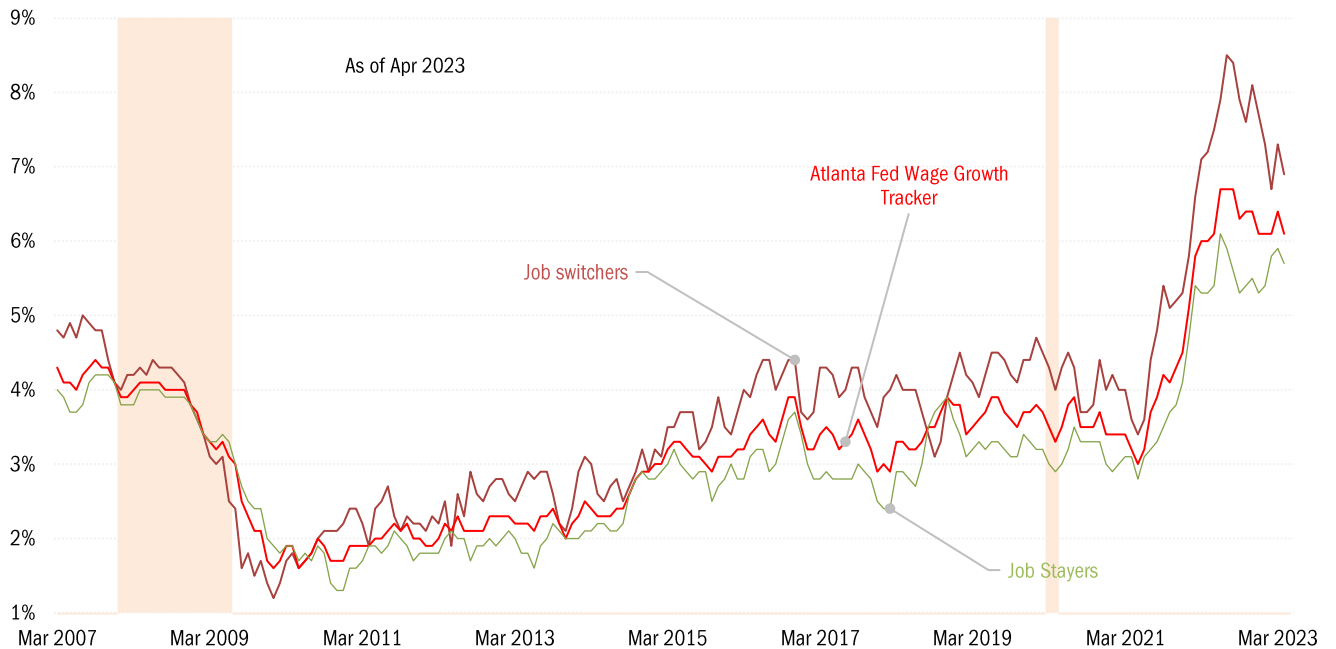
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

## The wages of dynamism

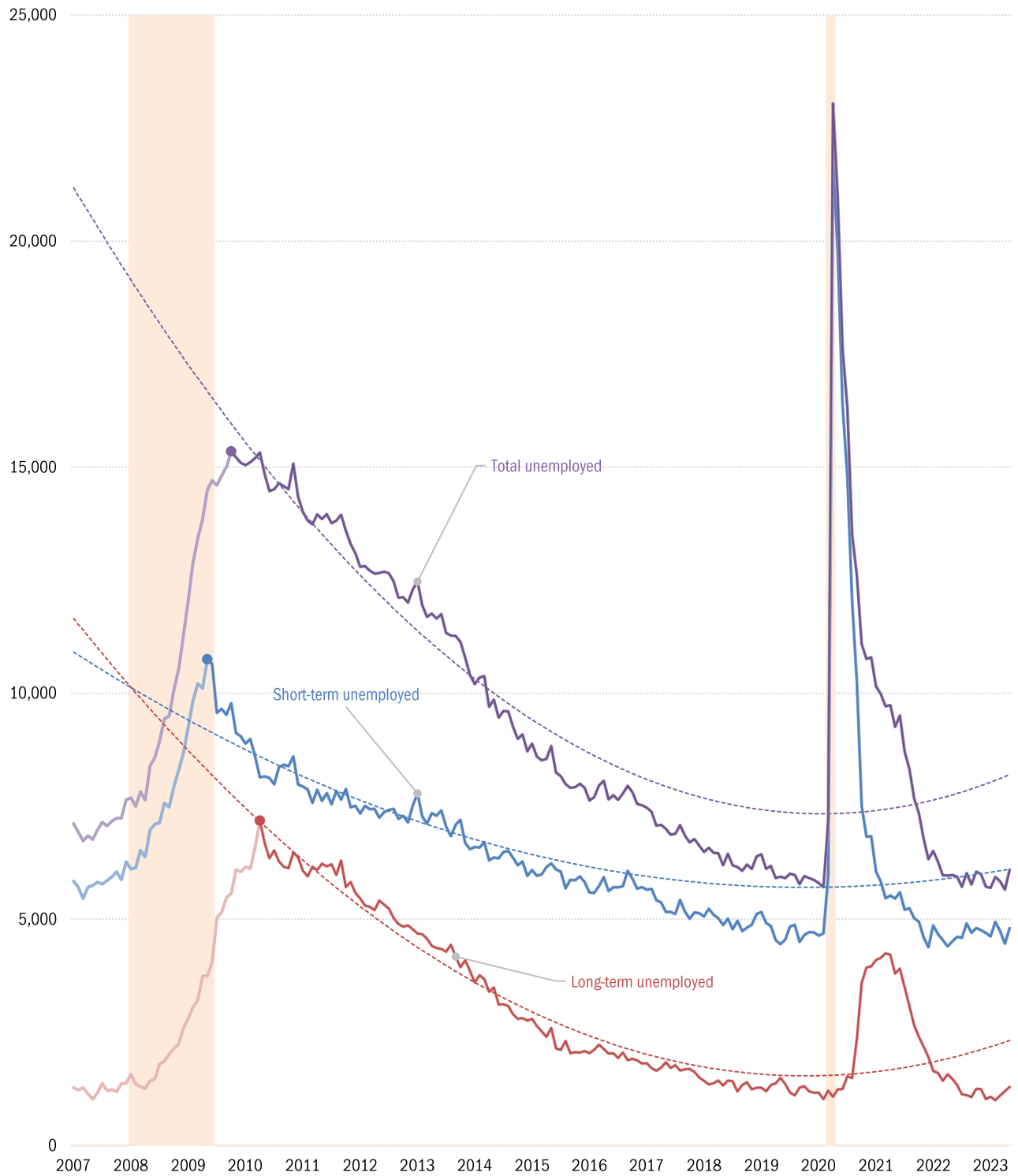
YOY wage growth for steady employees, versus those who change jobs ■ Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

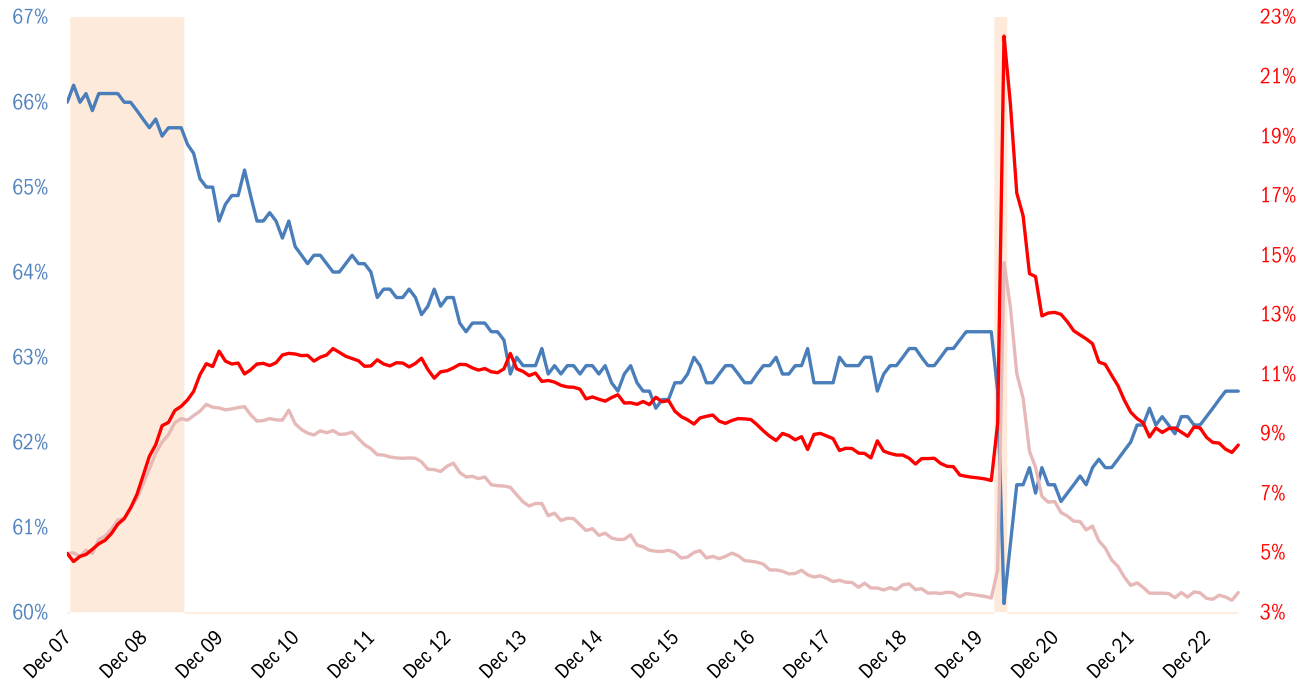
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



Source: BLS Current Population Survey, TrendMacro calculations

## Unemployment rate normalized for participation rate December 2007

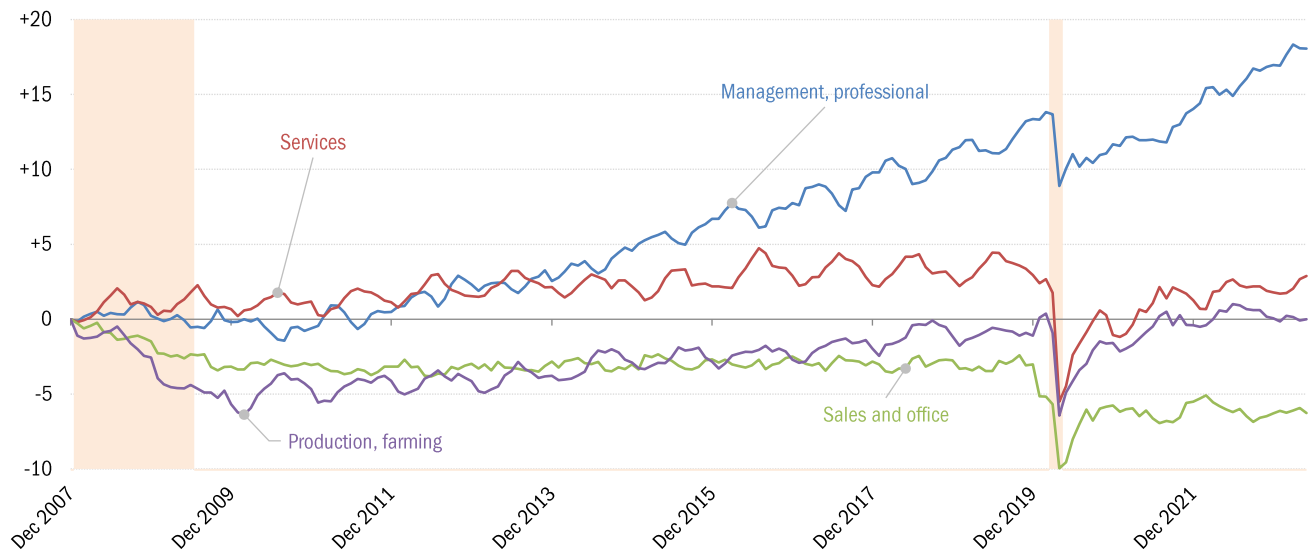
— Participation rate — Headline unemployment rate — Recession



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

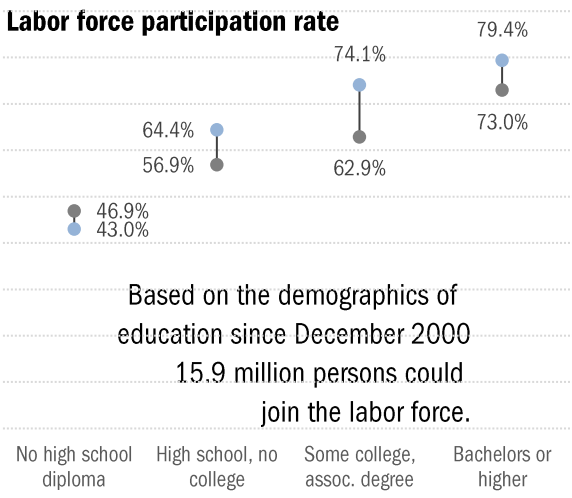
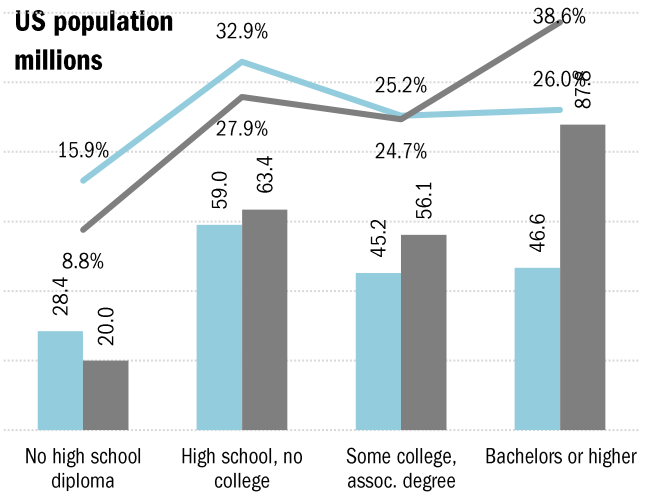
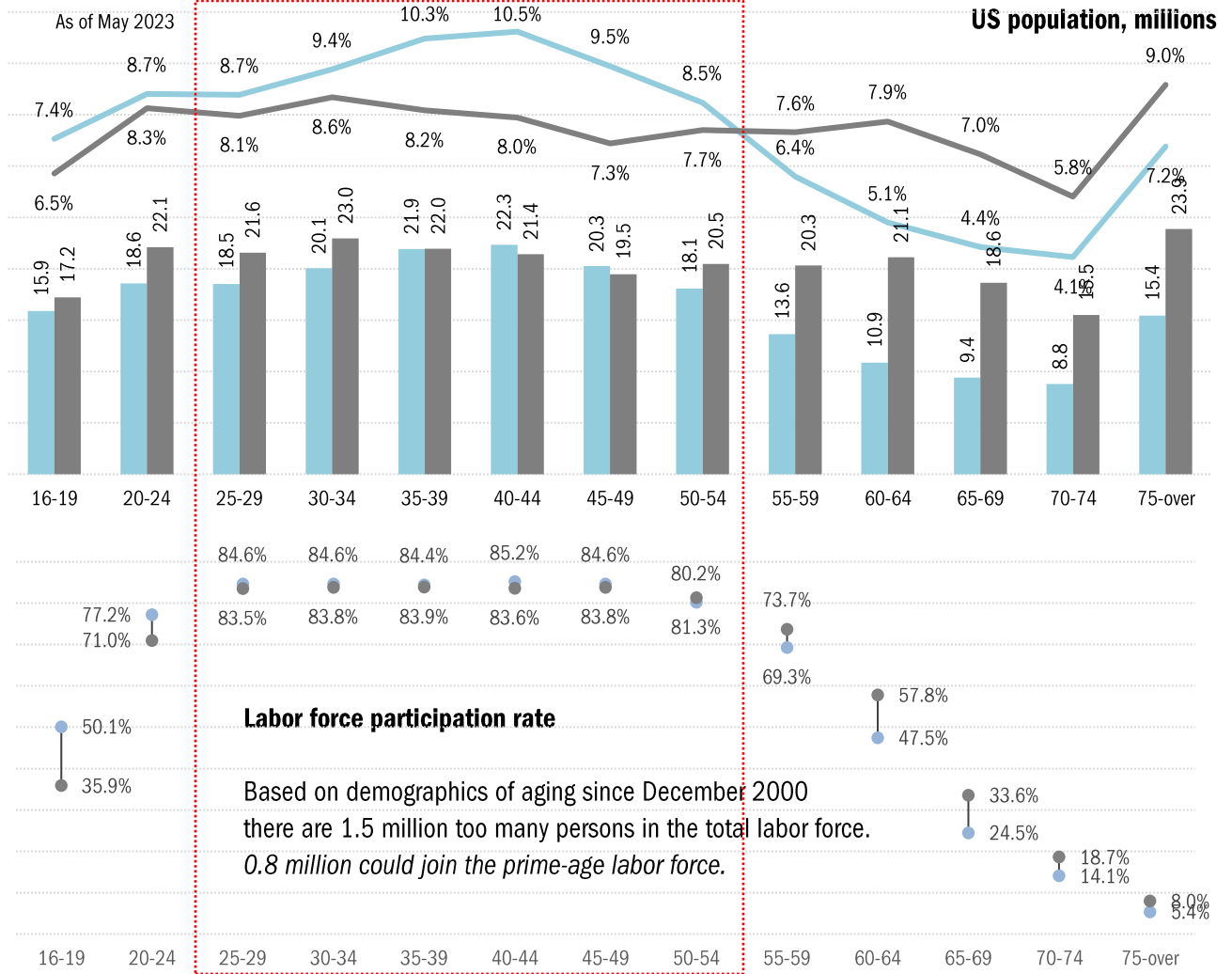


Source: BLS, NBER, TrendMacro calculations



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

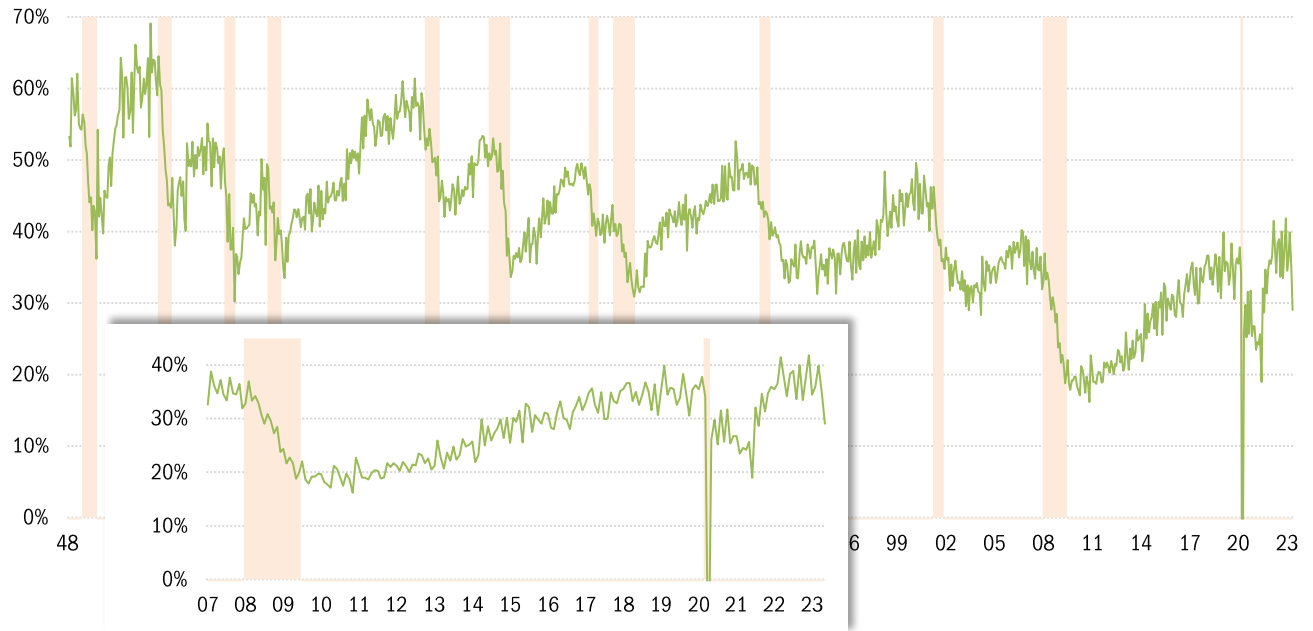
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

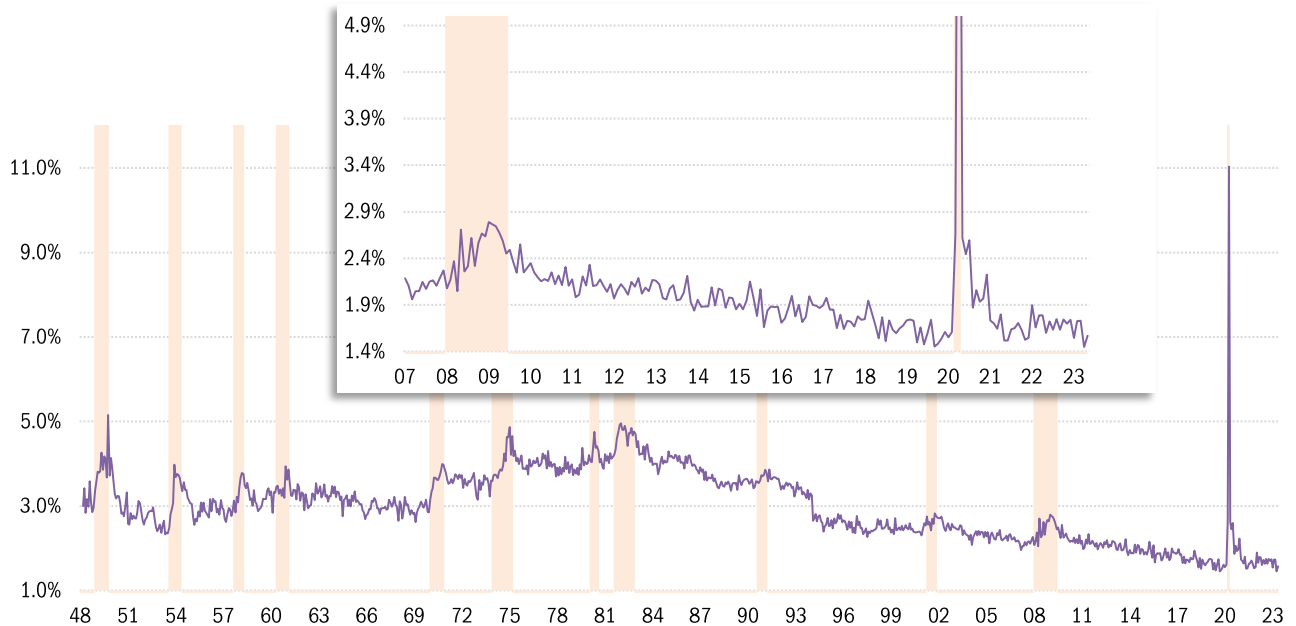
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

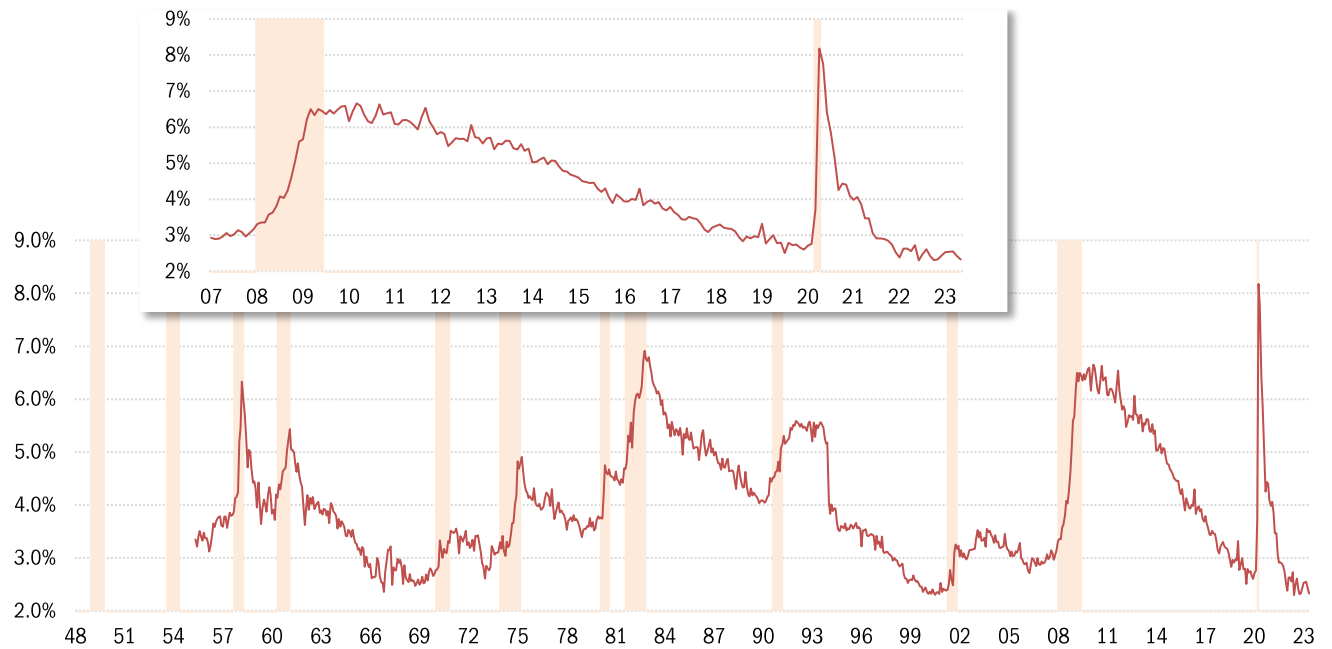
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

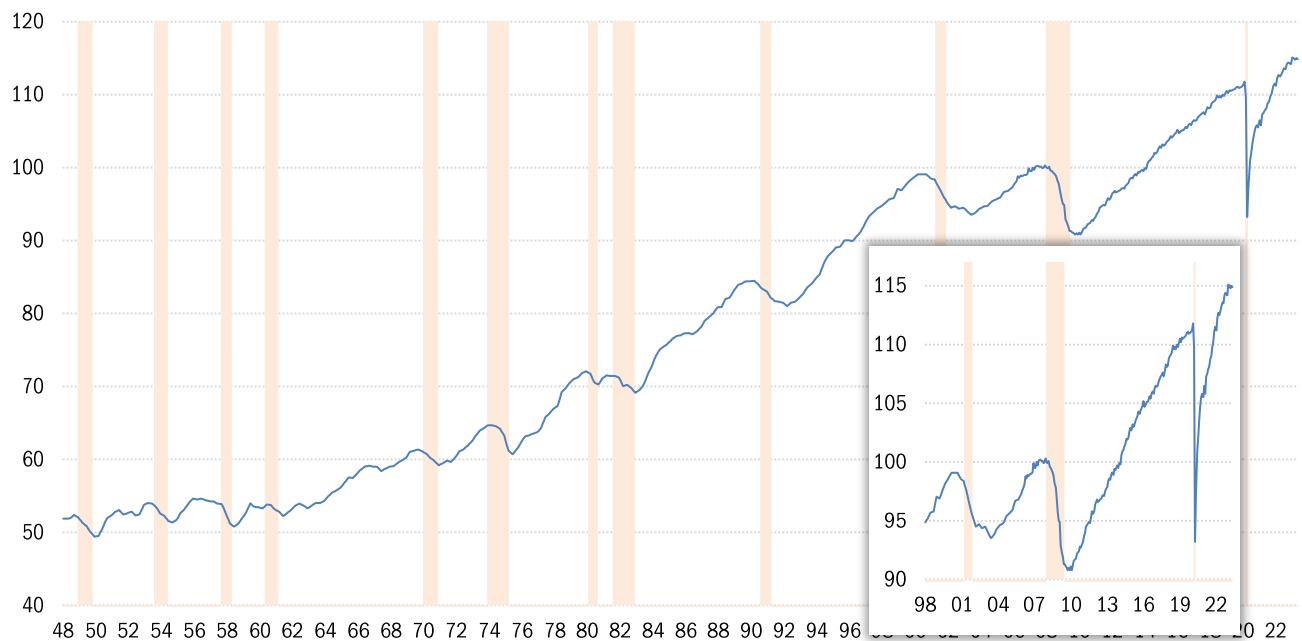
## Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



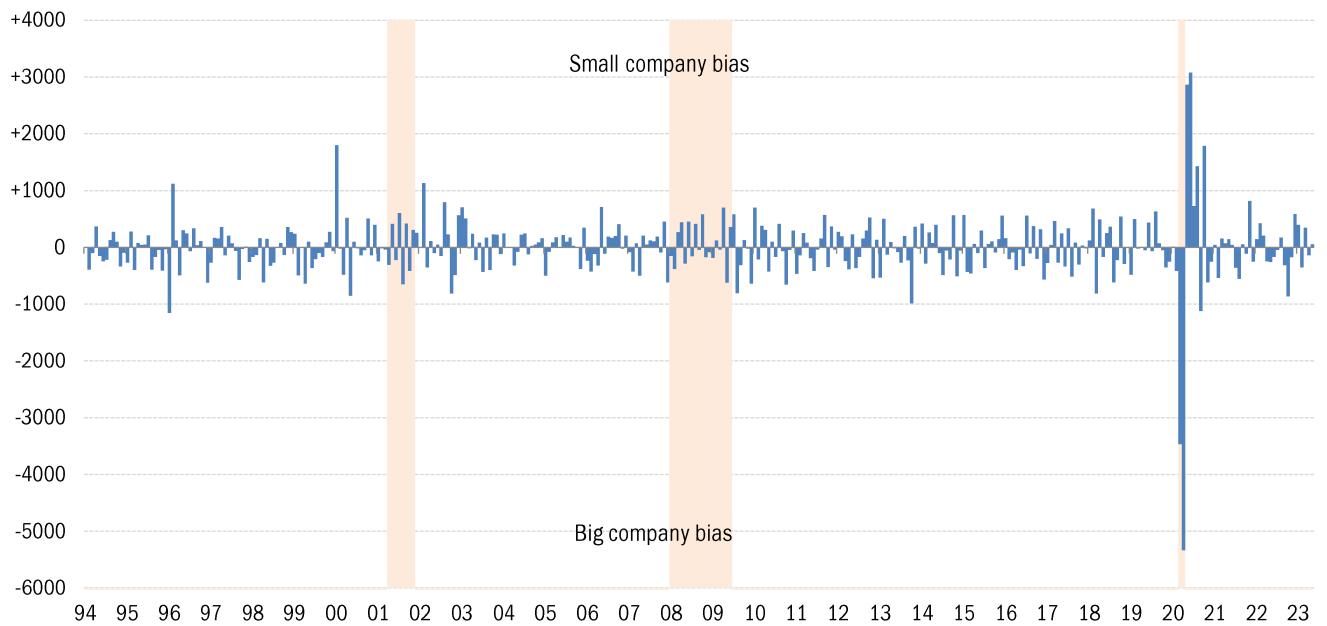
Source: BLS Current Population Survey, TrendMacro calculations

## Aggregate weekly private hours-worked index ■ Recession



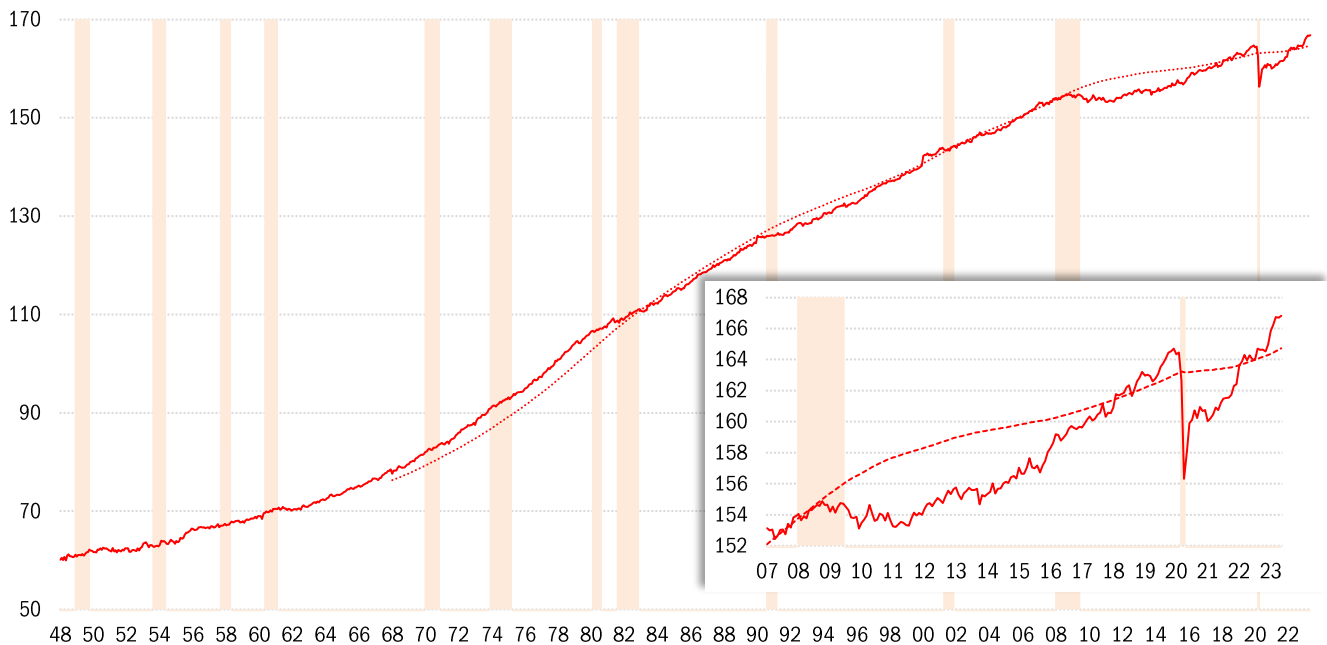
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



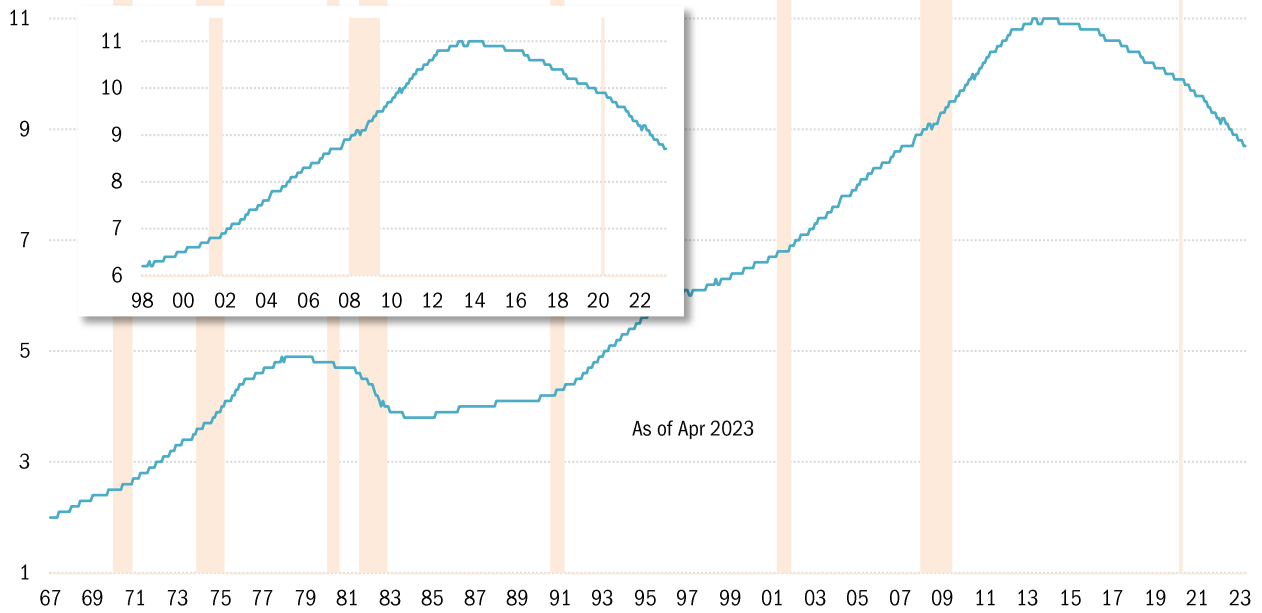
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

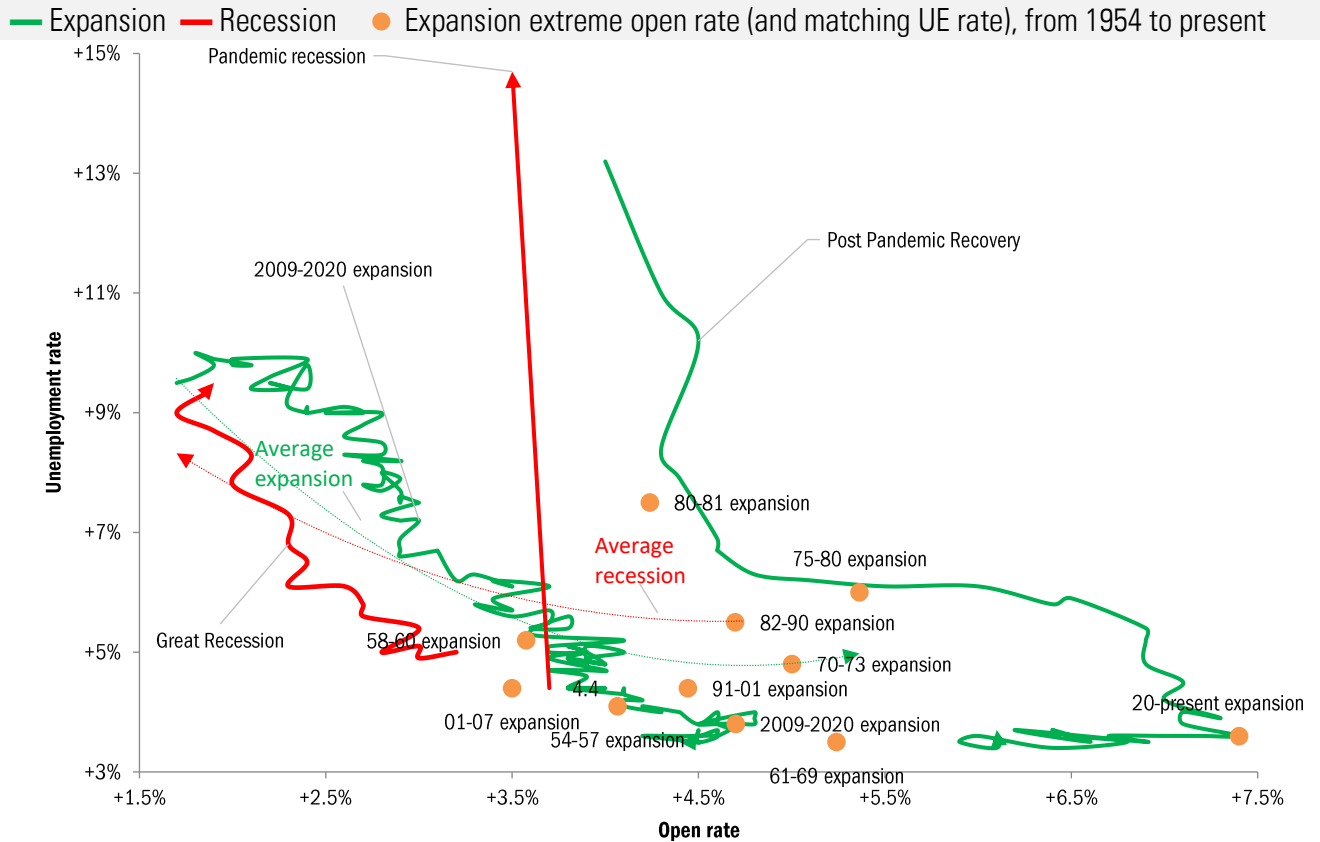


Source: BLS Current Population Survey, TrendMacro calculations

# 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



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