










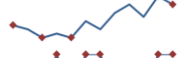





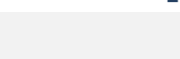
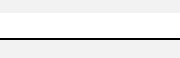


## Data Insights: Jobs

Friday, January 5, 2024

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

<b>Non-farm payrolls</b>	Change Dec: +216	Revision Nov: -26	Revision Oct: -45	
<b>Private payrolls</b>	Change Dec: +164	Revision Nov: -14	Revision Oct: -41	
<b>Employment</b>	Change Dec: -683			
<b>Unemployment</b>	Change Dec: +6			
<b>Long-term unemployment</b>	Change Dec: -20			
<b>Civilian labor force</b>	Change Dec: -676	2.02 million above trend	More than all leavers employed	
<b>Unemployment rate</b>	Dec: 3.74%	Change Dec: +0.02%		
<b>Underemployment rate</b>	Dec: 7.1%	Change Dec: +0.1%		
<b>Participation rate</b>	Dec: 62.5%	Change Dec: -0.3%		
<b>UE adjusted for participation</b>	Dec: 8.8%	Change Dec: +0.46%		
<b>Average weeks unemployed</b>	Dec: 22.3	Change Dec: +2.8		
<b>% longterm unemployed</b>	Dec: 19.7%	Change Dec: +0.3%		
<b>Aggregate hours worked index</b>	Dec: 115.6	Change Dec: -0.2%	Revision Nov: +0	
<b>Average hourly earnings</b>	Dec: +0.44%	Change Dec: +0.09%	Revision Nov: +0.09%	
<b>Aggregate weekly earnings</b>	Dec: 189.4	Change Dec: +0.3%	Revision Nov: unch	
<b>Monthly job-finding probability</b>	Dec: 34.9%	Change Dec: -0.0%		
<b>Monthly separation probability</b>	Dec: 1.6%	Change Dec: +0.1%		
<b>% involuntary part-time</b>	Dec: 2.6%	Change Dec: +0.1%		
<b>"Household" vs "Payroll" jobs</b>	Change Dec: -969			

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 Dec: +216	Revision Nov: -26	Revision Oct: -45	
<b>Non-farm payrolls NSA</b>	Change Dec: -167	Revision Nov: -18	Revision Oct: -48	
<b>Birth-death adjustment</b>	Adj for Dec: -52			
<b>Employment</b>	Change Dec: -683			
<b>Unemployment rate</b>	Dec: 3.74%	Change Dec: +0.02%		
<b>White employment</b>	Change Dec: -748			
<b>White unemployment rate</b>	Dec: 3.5%	Change Dec: 0.2%		
<b>Black employment</b>	Change Dec: +66			
<b>Black unemployment rate</b>	Dec: 5.2%	Change Dec: -0.6%		
<b>Hispanic employment</b>	Change Dec: -156			
<b>Hispanic unemployment rate</b>	Dec: 5.0%	Change Dec: 0.4%		
<b>Asian employment</b>	Change Dec: -60			
<b>Asian unemployment rate</b>	Dec: 3.1%	Change Dec: -0.4%		
<b>High school only employment</b>	Change Dec: -246			
<b>HS only unemployment rate</b>	Dec: 4.2%	Change Dec: 0.3%		
<b>Men employment</b>	Change Dec: -187			
<b>Men unemployment rate</b>	Dec: 3.9%	Change Dec: -0.1%		
<b>Women employment</b>	Change Dec: -496			
<b>Women unemployment rate</b>	Dec: 3.6%	Change Dec: 0.2%		

Source: Bureau of Labor Statistics, TrendMacro calculations

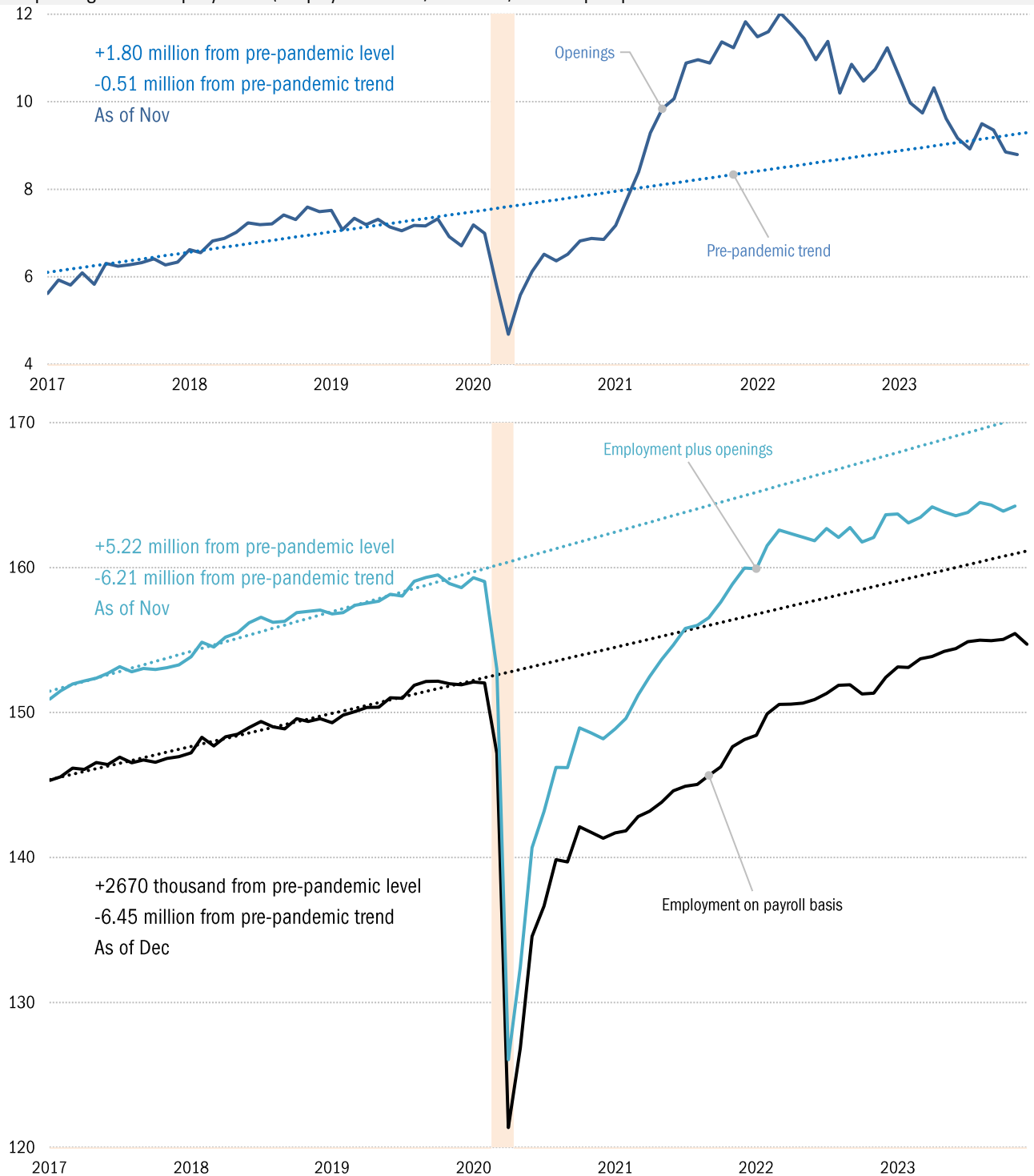
## TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+164	48.1	50.7	+23	219	34,817	16	-2
Model estimate	Actual	Actual beat(+) or miss (-)					
+168	+216	+48					

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

# Is the labor market tight or slack?

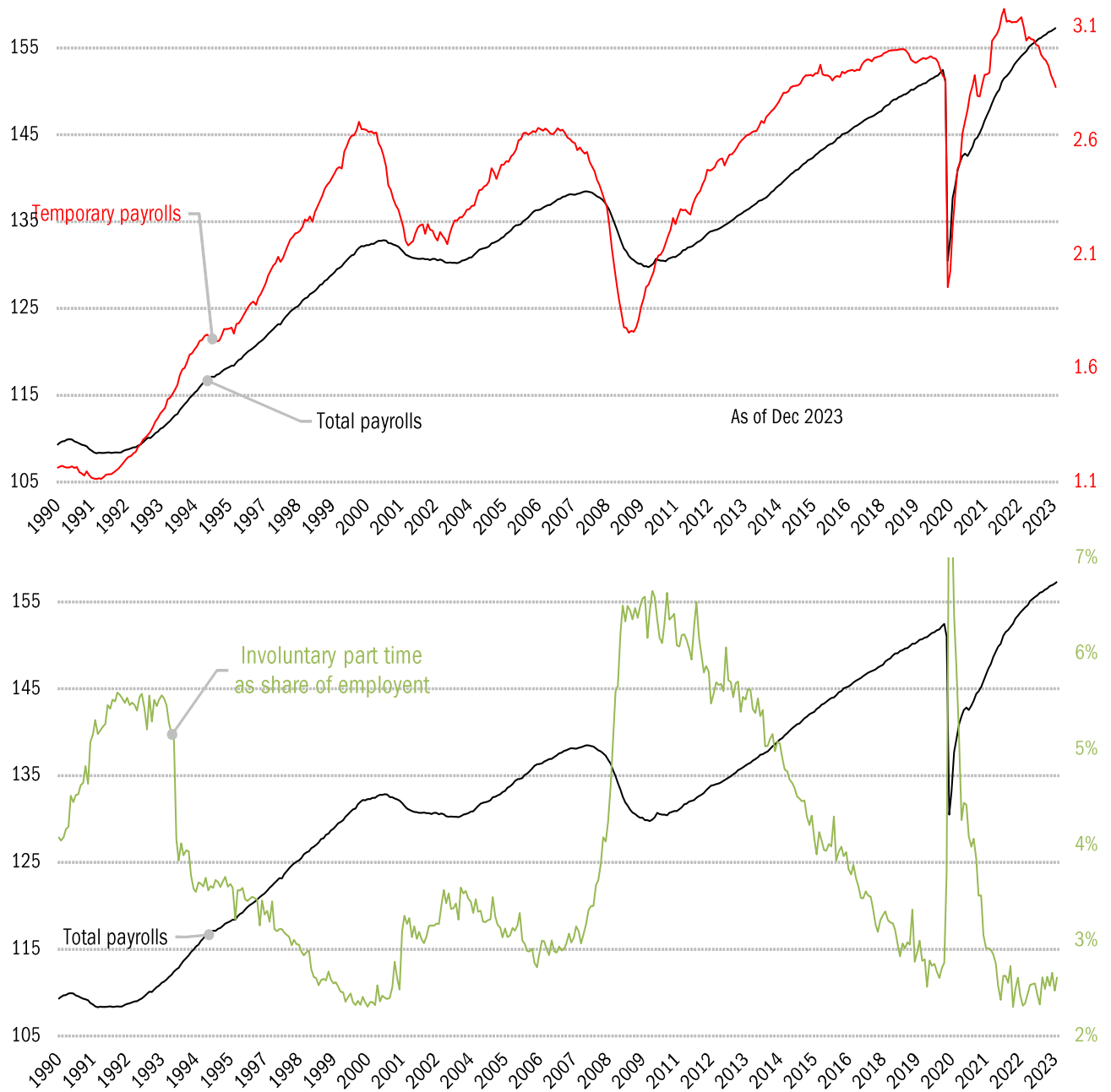
Job openings and employment (on payroll basis, millions) versus pre-pandemic trends ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

# Is the temporary jobs market warning us??

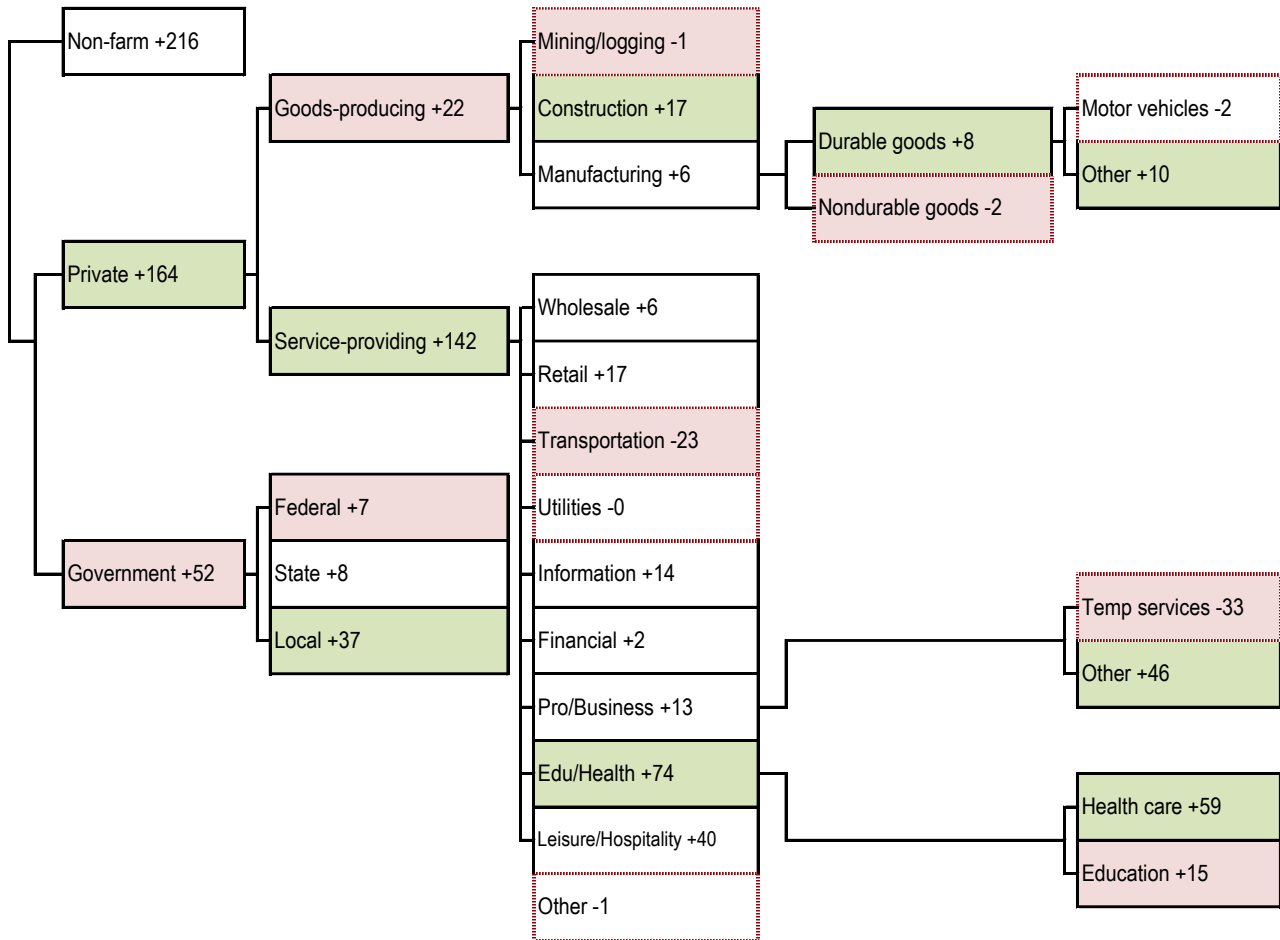
Regular and temporary payrolls (millions) and part-timers (share) ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

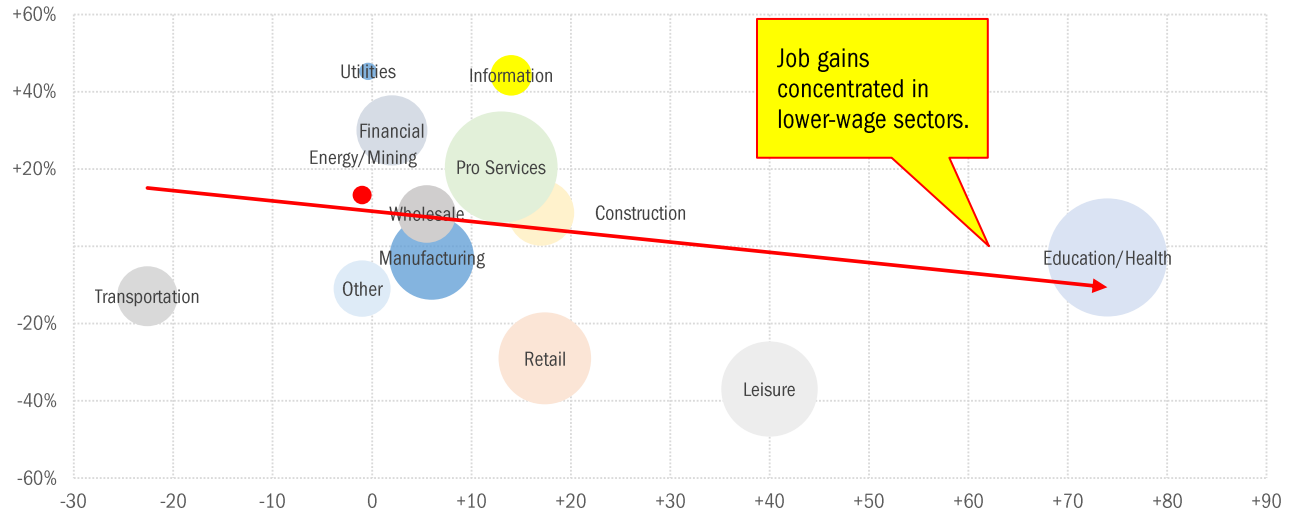
# Today's payroll data: what you need to know -- where did the jobs come from?

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



## Where is the pay coming from?

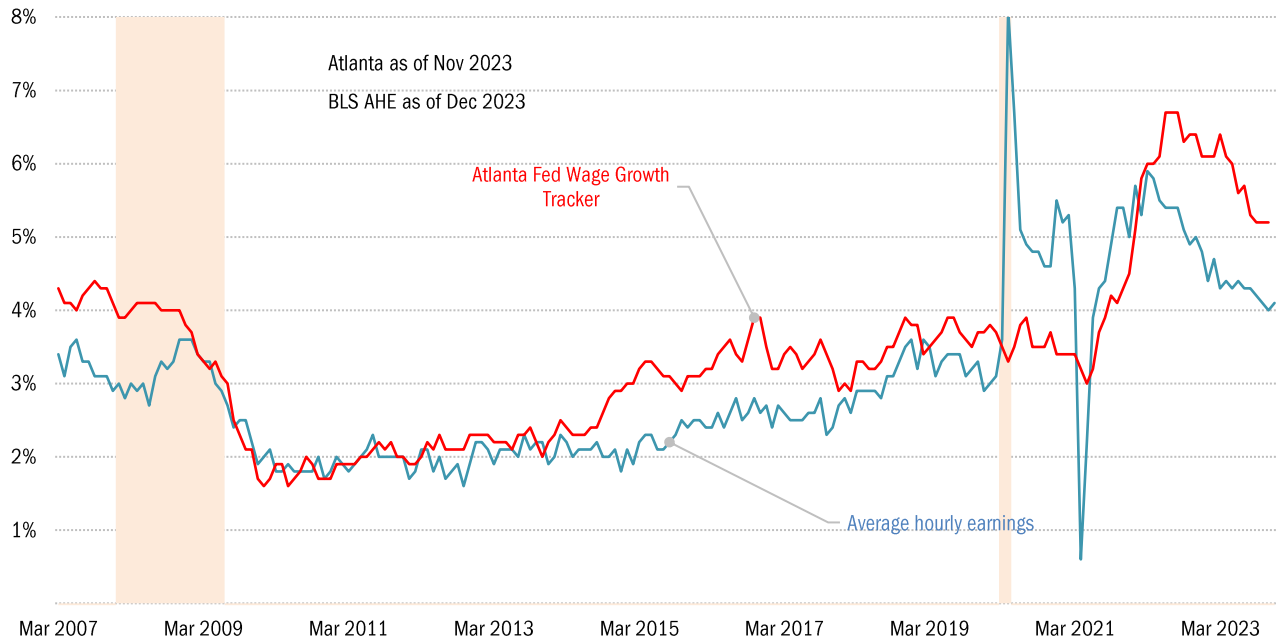
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

## Solving the wage-growth puzzle

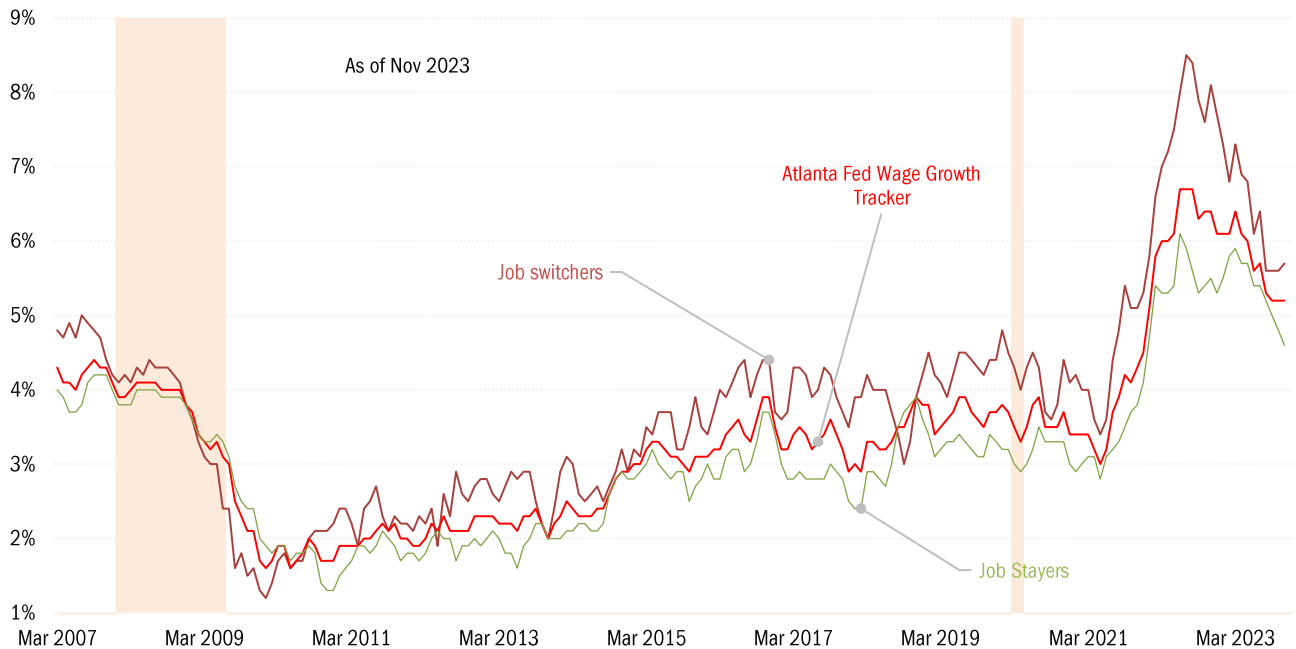
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

## The wages of dynamism

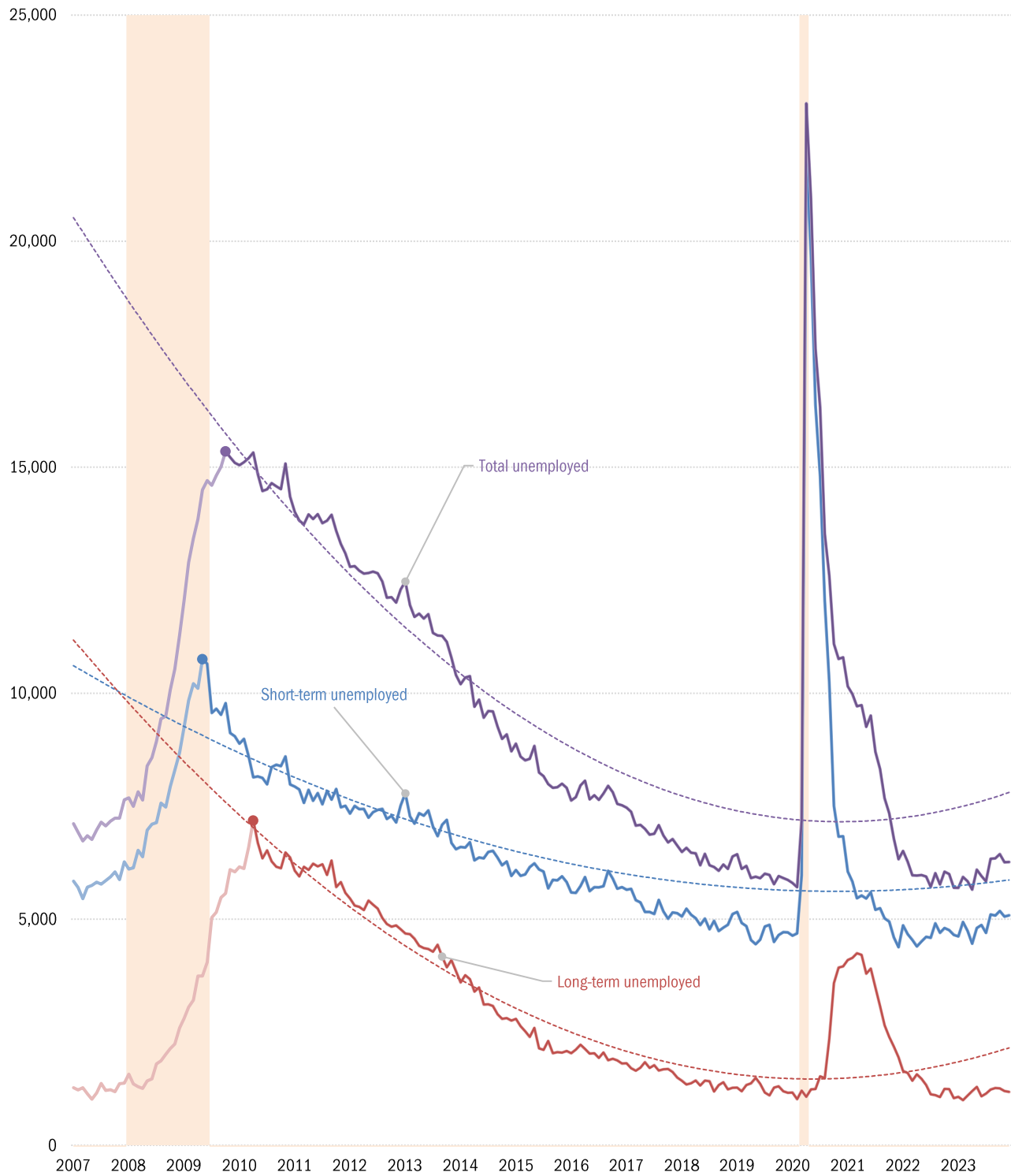
YOY wage growth for steady employees, versus those who change jobs ■ Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

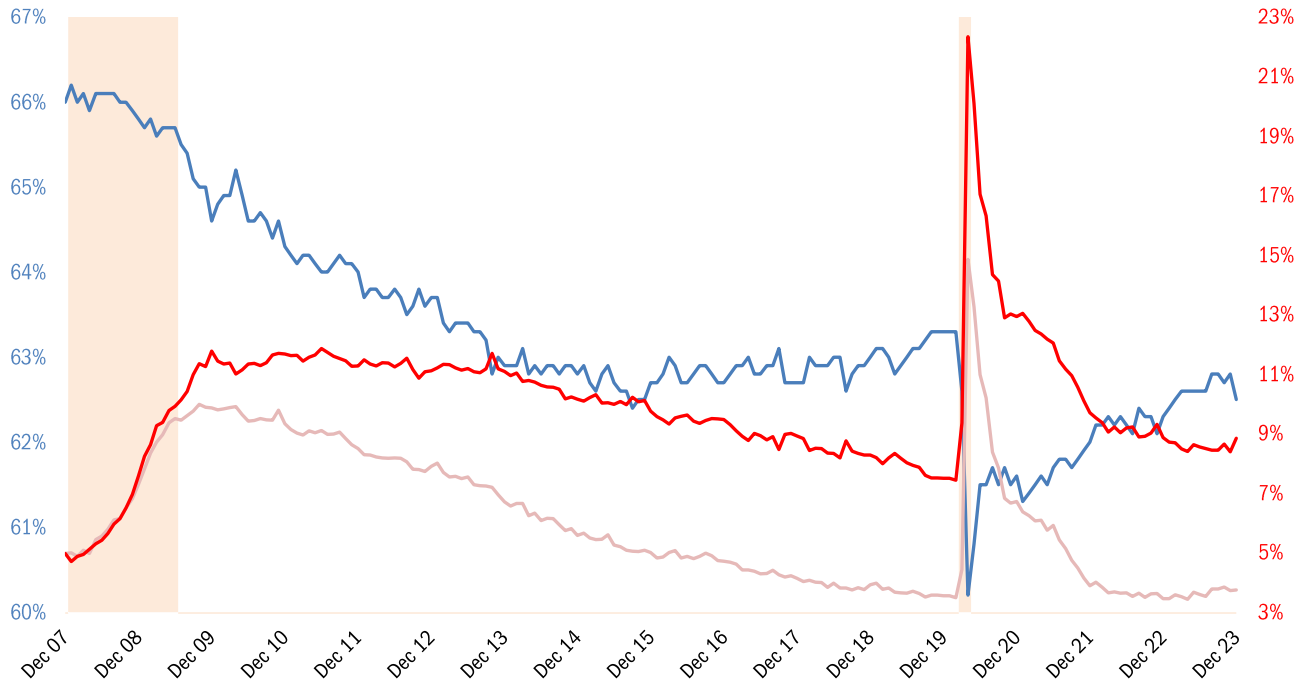
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



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

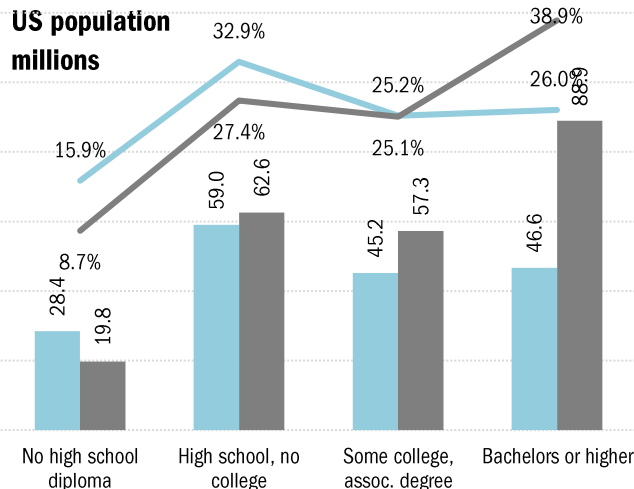
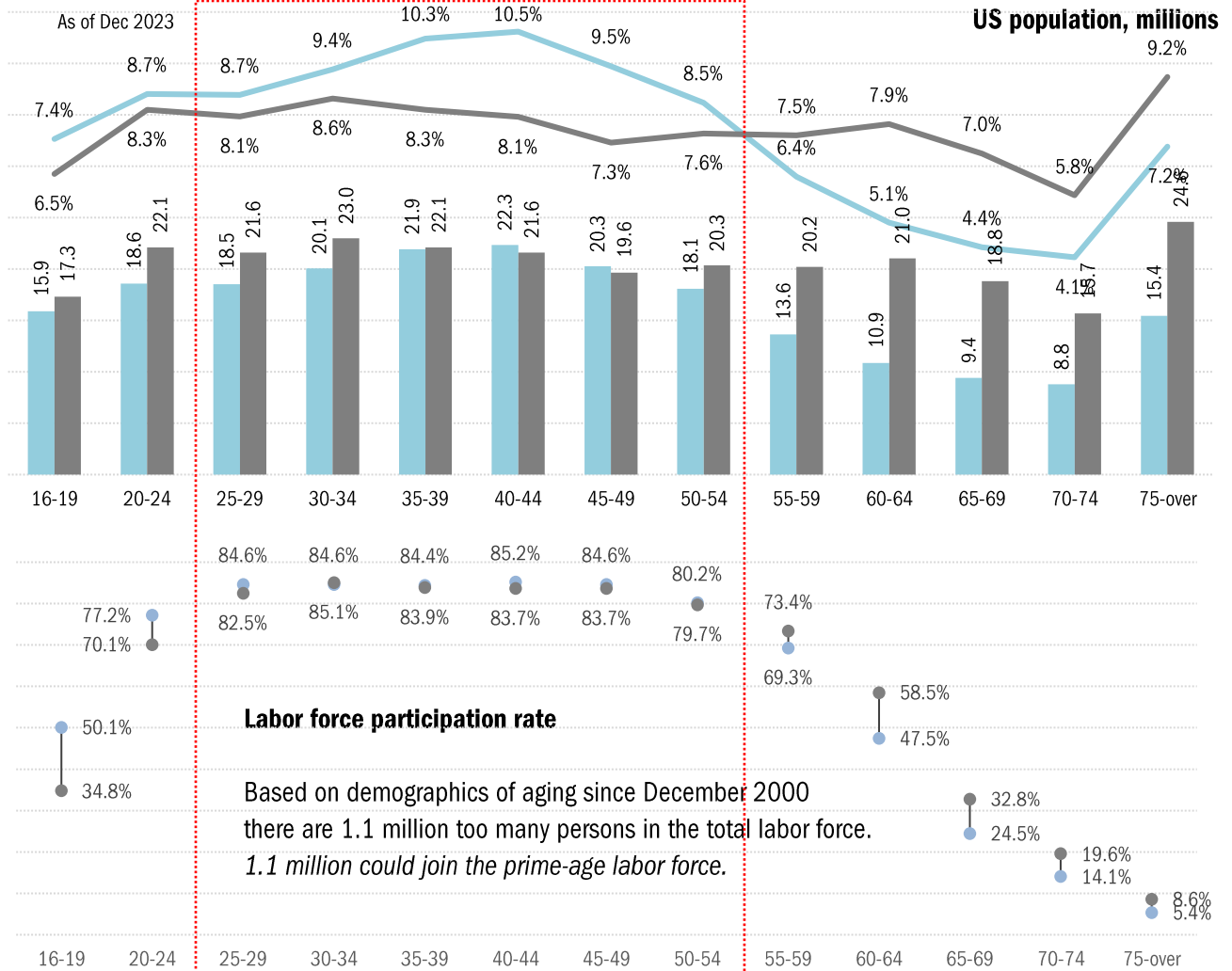


Source: BLS, NBER, TrendMacro calculations



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

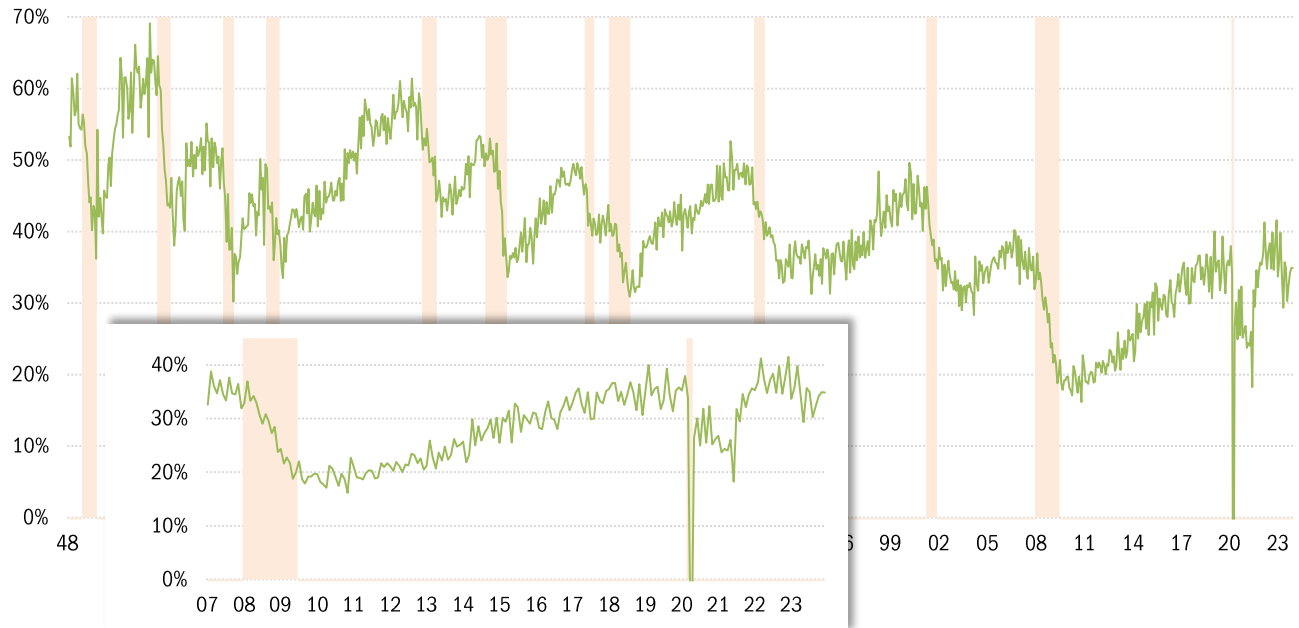
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

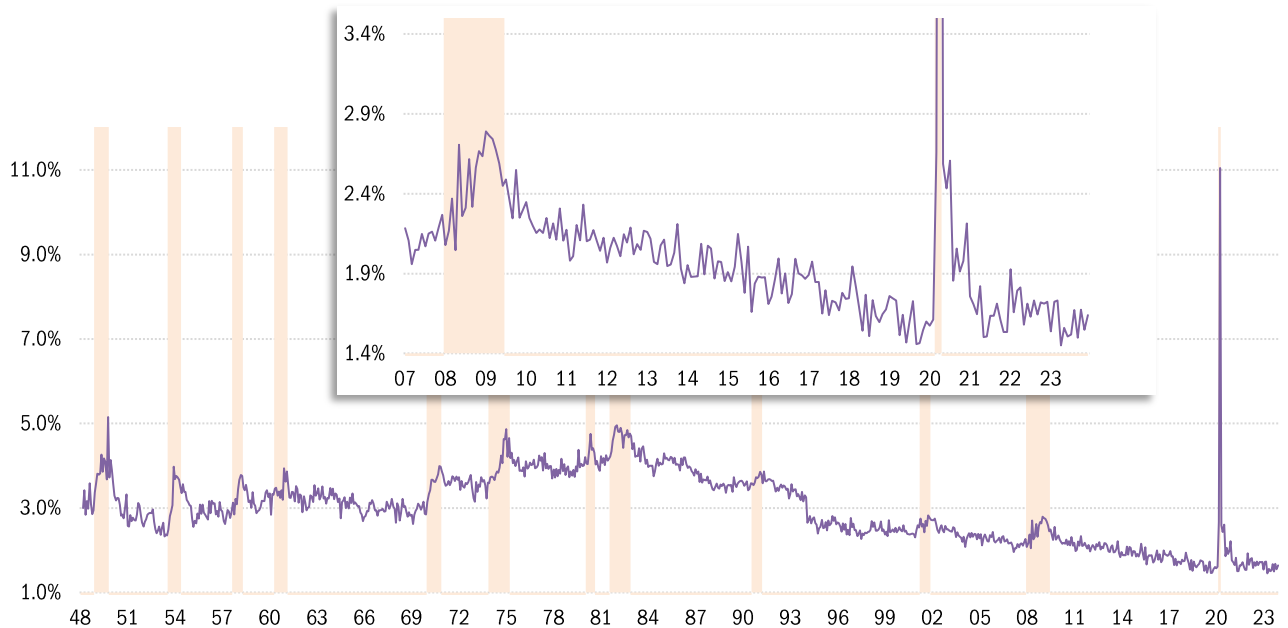
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

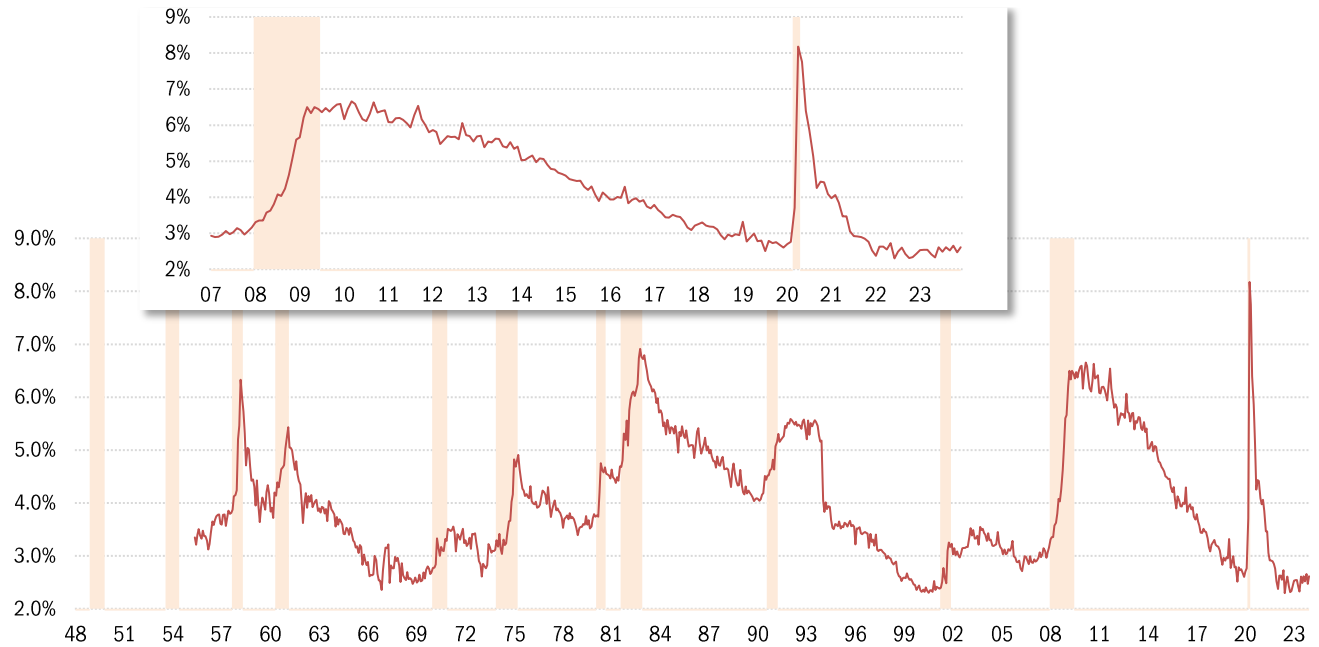
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

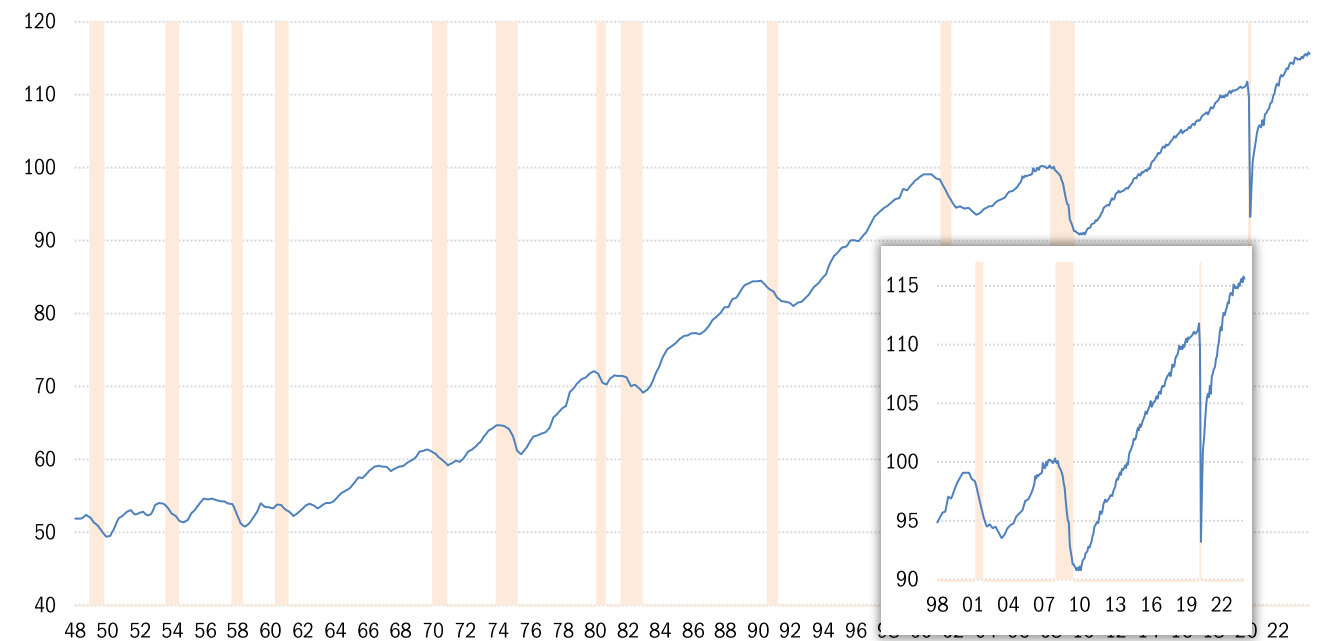
## Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



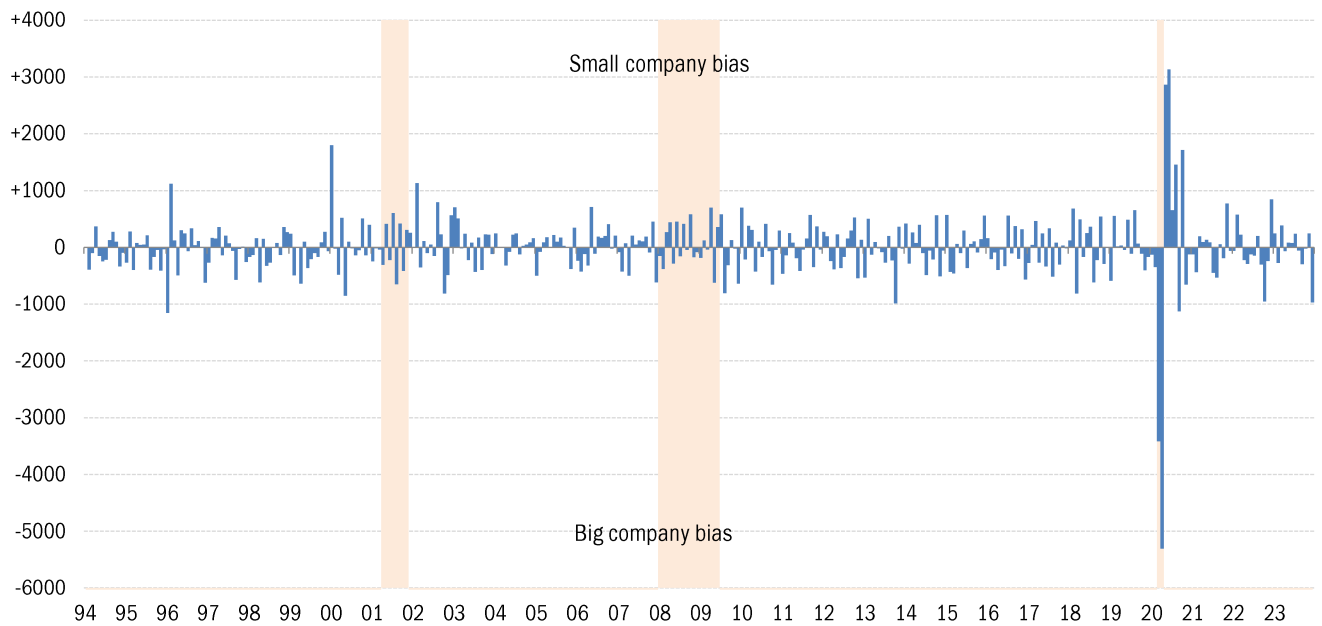
Source: BLS Current Population Survey, TrendMacro calculations

## Aggregate weekly private hours-worked index ■ Recession



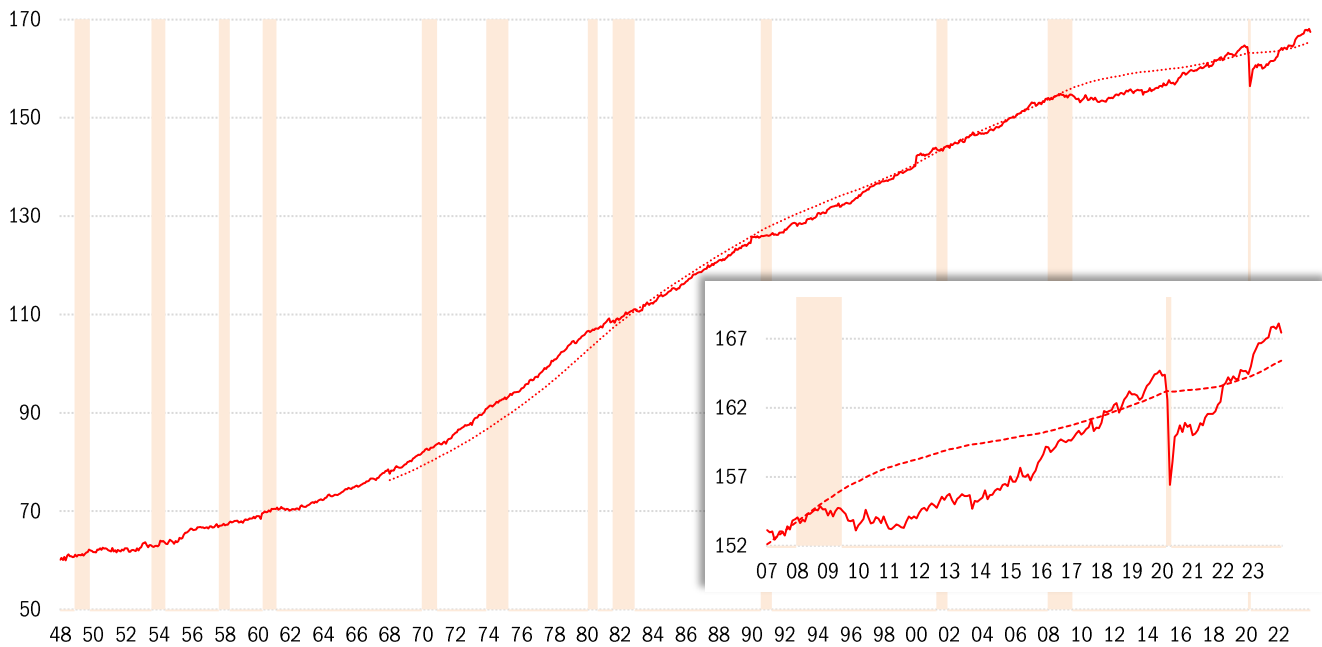
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



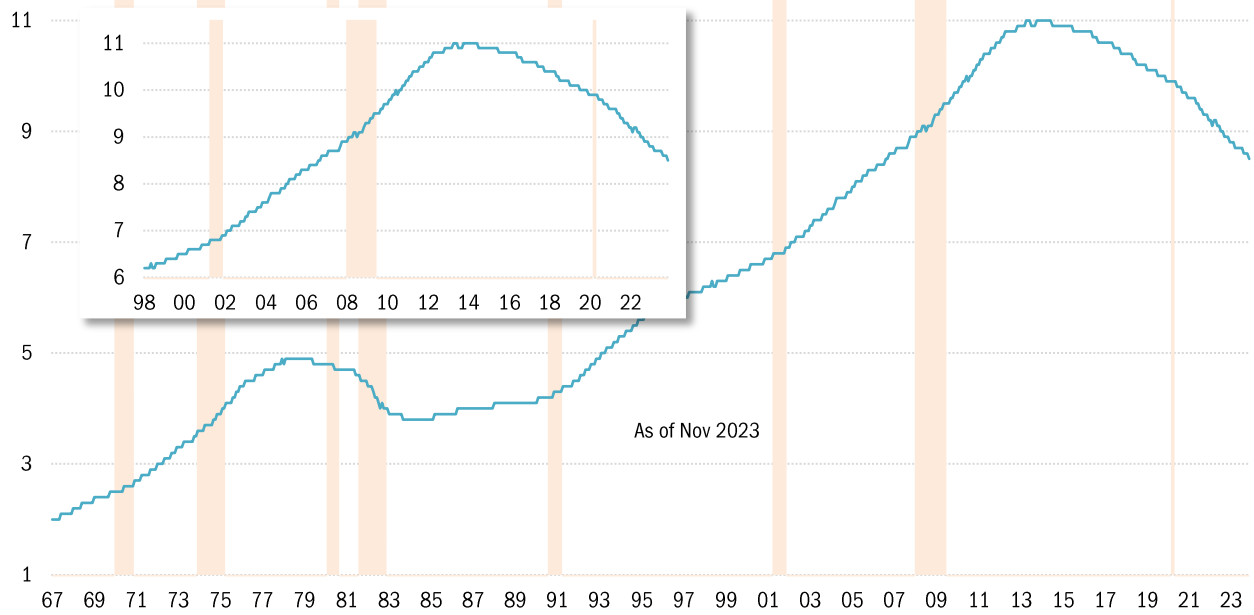
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

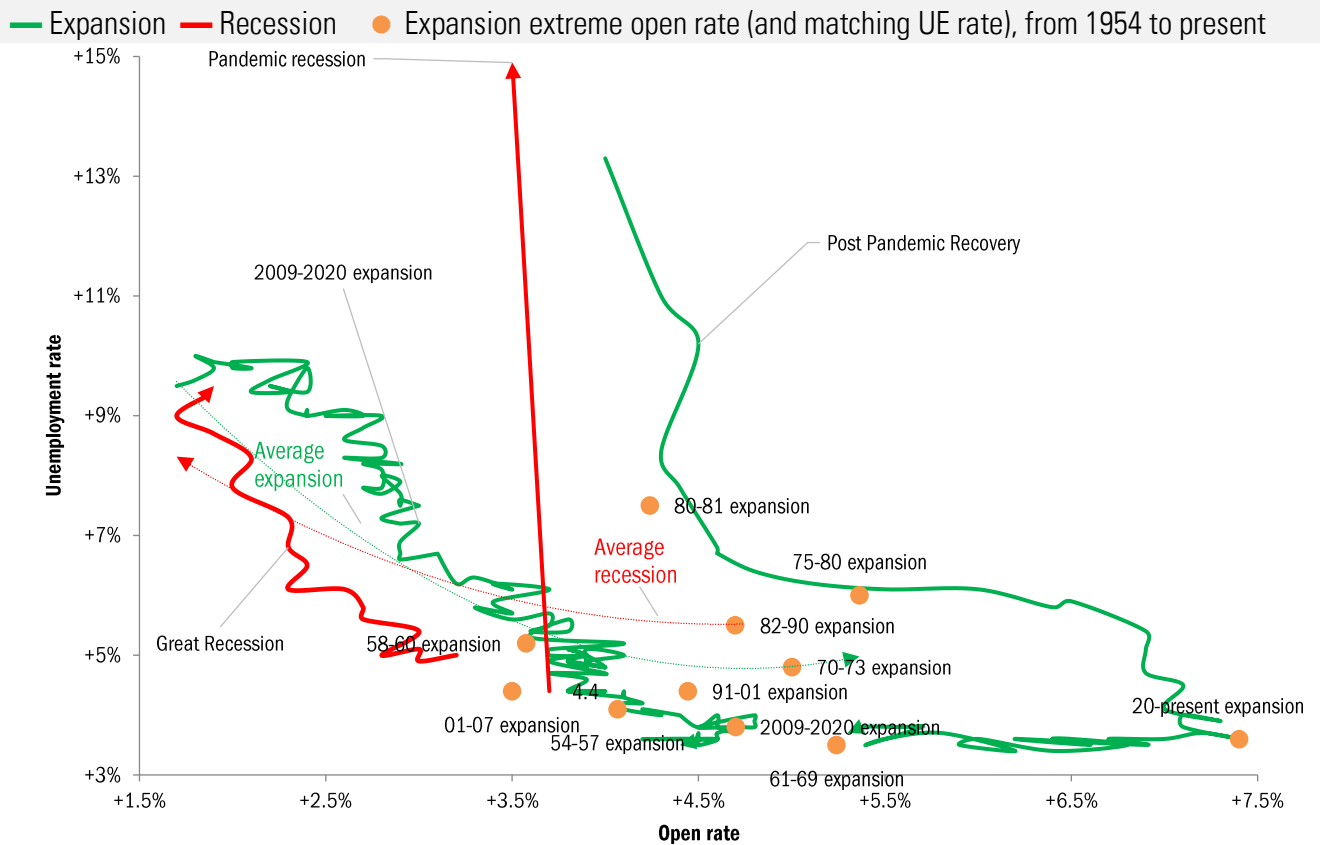


Source: BLS Current Population Survey, TrendMacro calculations

# 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