
















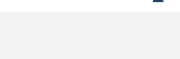
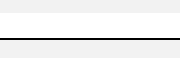


## Data Insights: Jobs

Friday, February 2, 2024

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

<b>Non-farm payrolls</b>	Change Jan: +353	Revision Dec: +117	Revision Nov: +9	
<b>Private payrolls</b>	Change Jan: +317	Revision Dec: +114	Revision Nov: +16	
<b>Employment</b>	Change Jan: -31	Adjusted for annual population control revisions, employment is +239 and unemployment is -116.		
<b>Unemployment</b>	Change Jan: -144			
<b>Long-term unemployment</b>	Change Jan: +87			
<b>Civilian labor force</b>	Change Jan: -175	1.76 million above trend	82.3% of leavers unemployed	
<b>Unemployment rate</b>	Jan: 3.66%	Change Jan: -0.08%		
<b>Underemployment rate</b>	Jan: 7.2%	Change Jan: +0.1%		
<b>Participation rate</b>	Jan: 62.5%	Change Jan: unch		
<b>UE adjusted for participation</b>	Jan: 8.8%	Change Jan: -0.08%		
<b>Average weeks unemployed</b>	Jan: 20.8	Change Jan: -1.5		
<b>% longterm unemployed</b>	Jan: 20.8%	Change Jan: +1.1%		
<b>Aggregate hours worked index</b>	Jan: 115.2	Change Jan: -0.3%	Revision Dec: +0	
<b>Average hourly earnings</b>	Jan: +0.55%	Change Jan: +0.17%	Revision Dec: +0.11%	
<b>Aggregate weekly earnings</b>	Jan: 190.3	Change Jan: +0.2%	Revision Dec: +0.1	
<b>Monthly job-finding probability</b>	Jan: 36.4%	Change Jan: +1.5%		
<b>Monthly separation probability</b>	Jan: 1.6%	Change Jan: -0.0%		
<b>% involuntary part-time</b>	Jan: 2.7%	Change Jan: +0.1%		
<b>"Household" vs "Payroll" jobs</b>	Change Jan: -803			

Source: Bureau of Labor Statistics, TrendMacro calculations

#### For more information contact us:

Donald Luskin: 214 550 2020 [don@trendmacro.com](mailto:don@trendmacro.com)

Thomas Demas: 704 552 3625 [tdemas@trendmacro.com](mailto:tdemas@trendmacro.com)

## Today's jobs data: a deeper dive

<b>Non-farm payrolls SA</b>	Change Jan: +353	Revision Dec: +117	Revision Nov: +9	
<b>Non-farm payrolls NSA</b>	Change Jan: -2635	Revision Dec: +81	Revision Nov: +10	
<b>Birth-death adjustment</b>	Adj for Jan: -121			
<b>Employment</b>	Change Jan: -31			
<b>Unemployment rate</b>	Jan: 3.66%	Change Jan: -0.08%		
<b>White employment</b>	Change Jan: -139			
<b>White unemployment rate</b>	Jan: 3.4%	Change Jan: -0.1%		
<b>Black employment</b>	Change Jan: -65			
<b>Black unemployment rate</b>	Jan: 5.3%	Change Jan: 0.1%		
<b>Hispanic employment</b>	Change Jan: +220			
<b>Hispanic unemployment rate</b>	Jan: 5.0%	Change Jan: 0.0%		
<b>Asian employment</b>	Change Jan: +139			
<b>Asian unemployment rate</b>	Jan: 2.9%	Change Jan: -0.2%		
<b>High school only employment</b>	Change Jan: -51			
<b>HS only unemployment rate</b>	Jan: 4.8%	Change Jan: 0.6%		
<b>Men employment</b>	Change Jan: -760			
<b>Men unemployment rate</b>	Jan: 3.9%	Change Jan: 0.0%		
<b>Women employment</b>	Change Jan: +729			
<b>Women unemployment rate</b>	Jan: 3.4%	Change Jan: -0.2%		

Source: Bureau of Labor Statistics, TrendMacro calculations

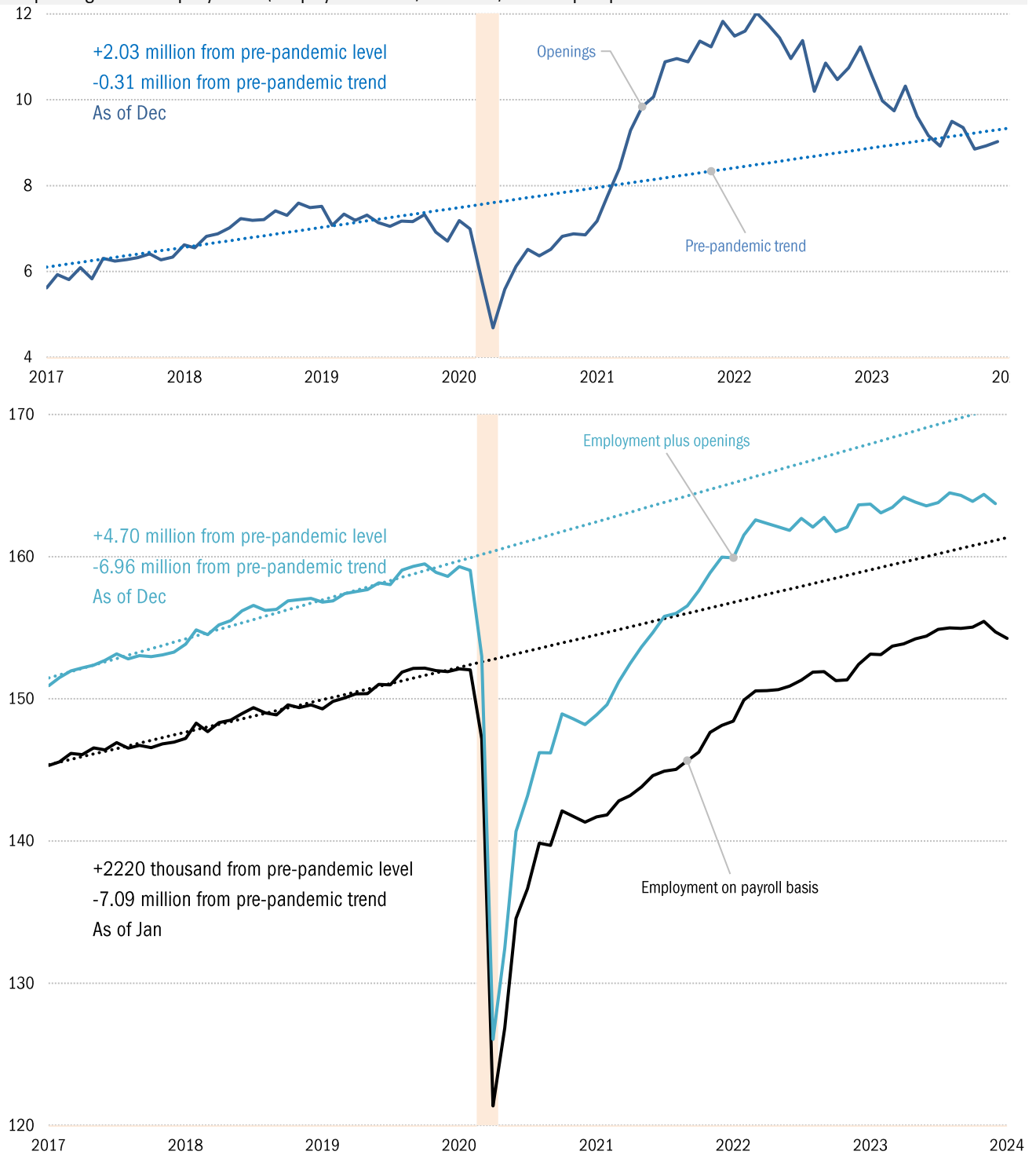
## TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+107	47.1	43.8	-23	203	82,307	14	-2
<b>Model estimate</b>	<b>Actual</b>	<b>Actual beat(+) or miss (-)</b>					
+124	+353	+229					

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

# Is the labor market tight or slack?

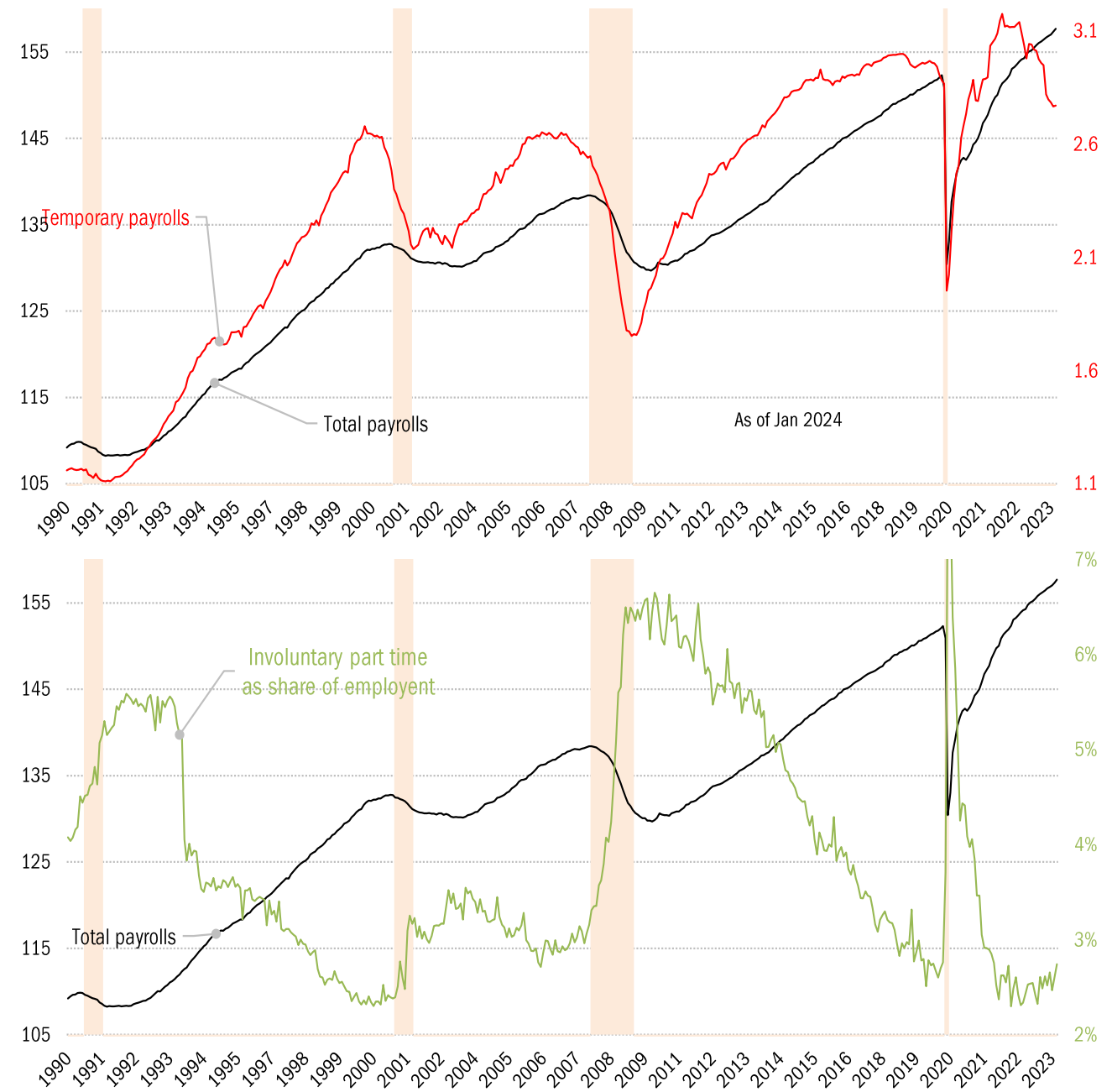
Job openings and employment (on payroll basis, millions) versus pre-pandemic trends ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

# Is the temporary jobs market warning us??

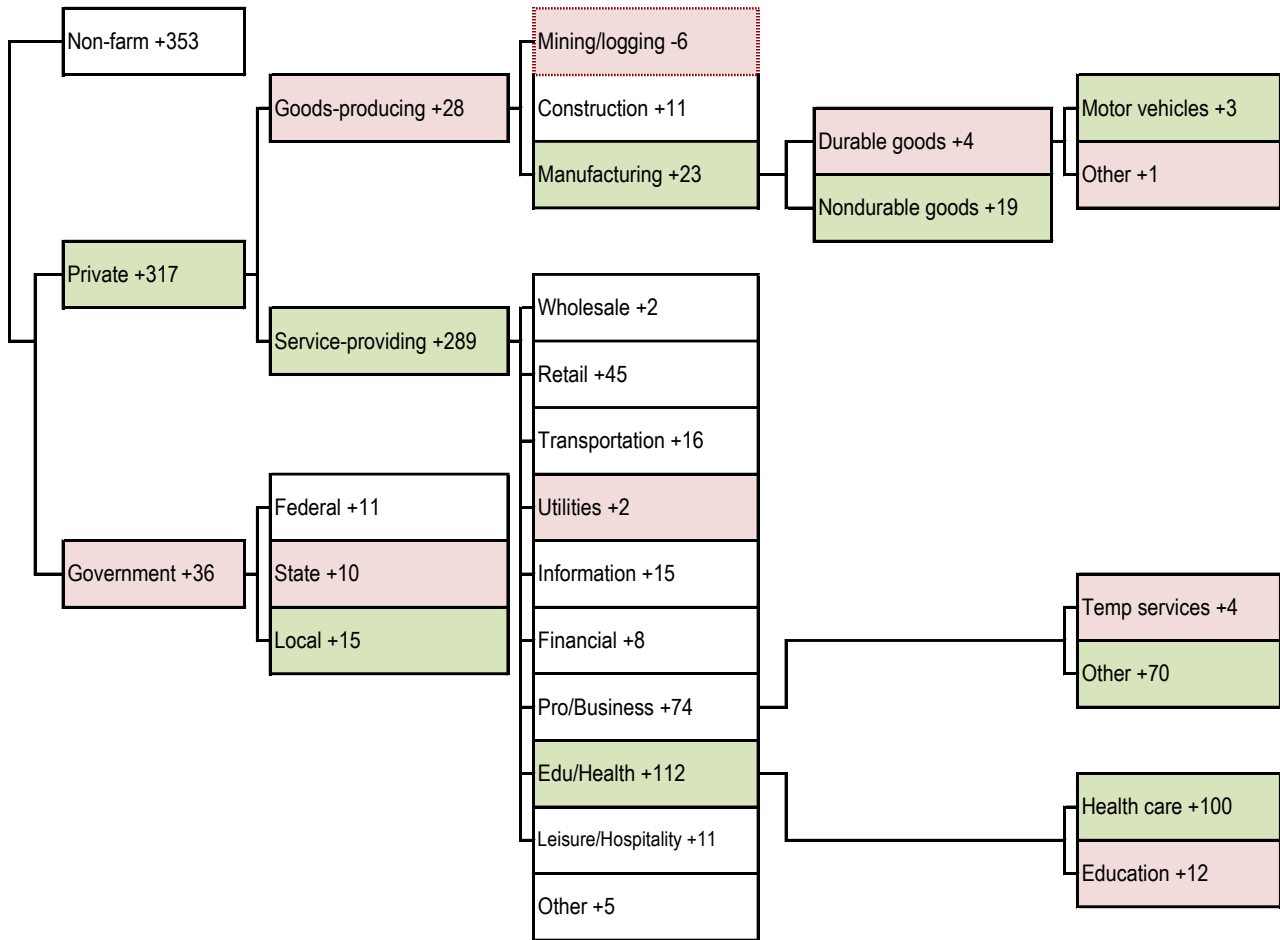
Regular and temporary payrolls (millions) and part-timers (share) ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

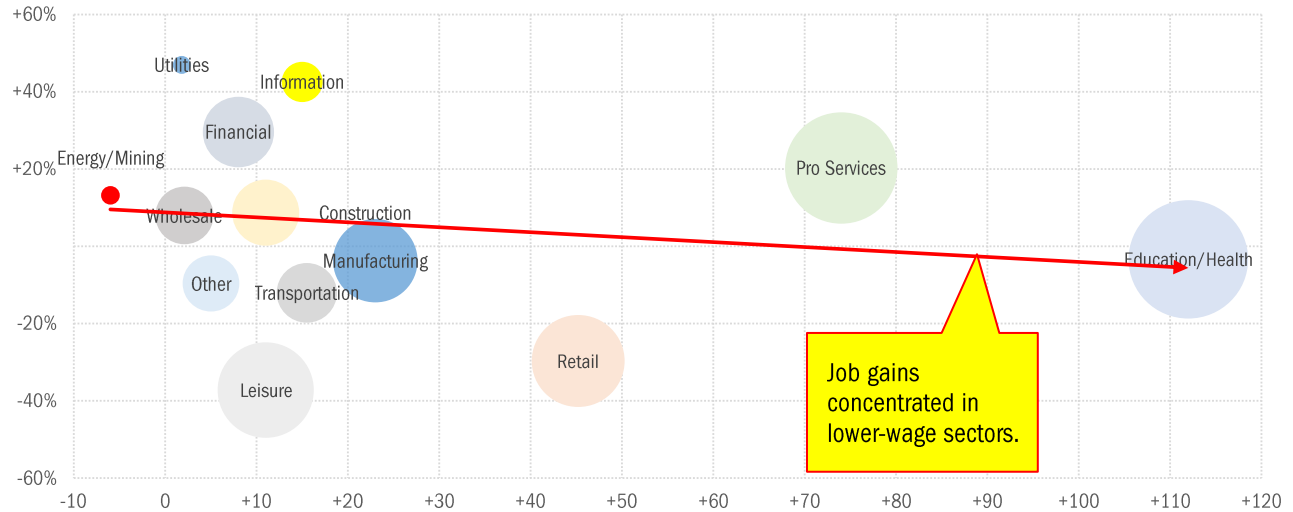
# Today's payroll data: what you need to know -- where did the jobs come from?

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



## Where is the pay coming from?

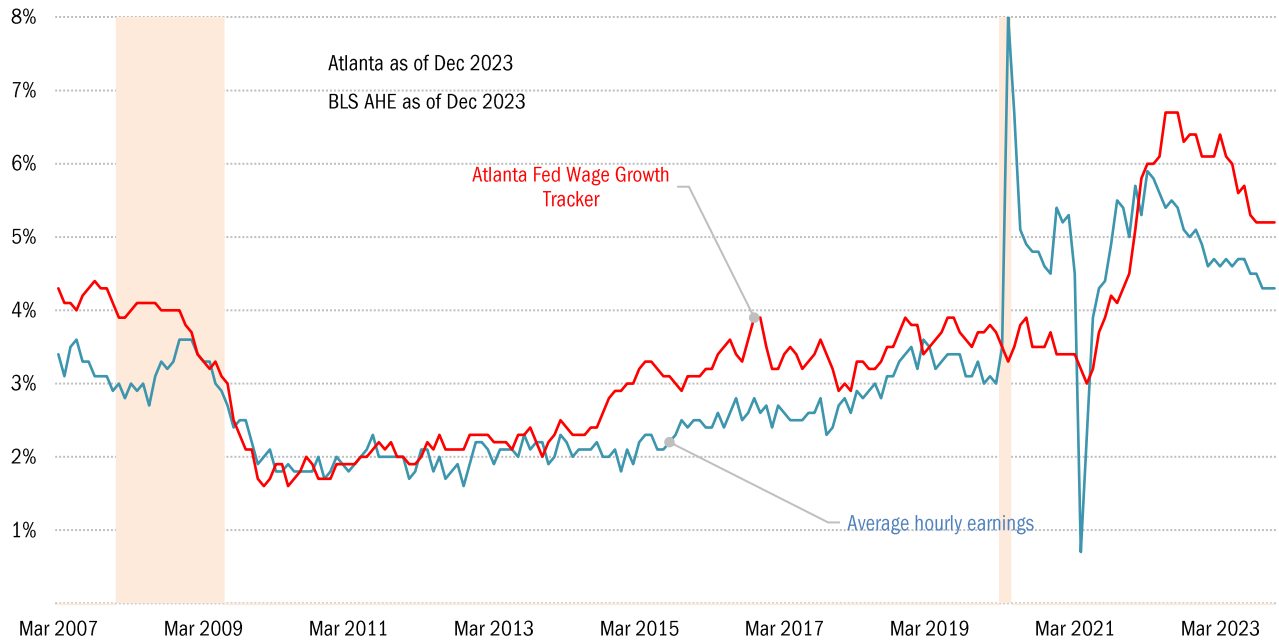
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

## Solving the wage-growth puzzle

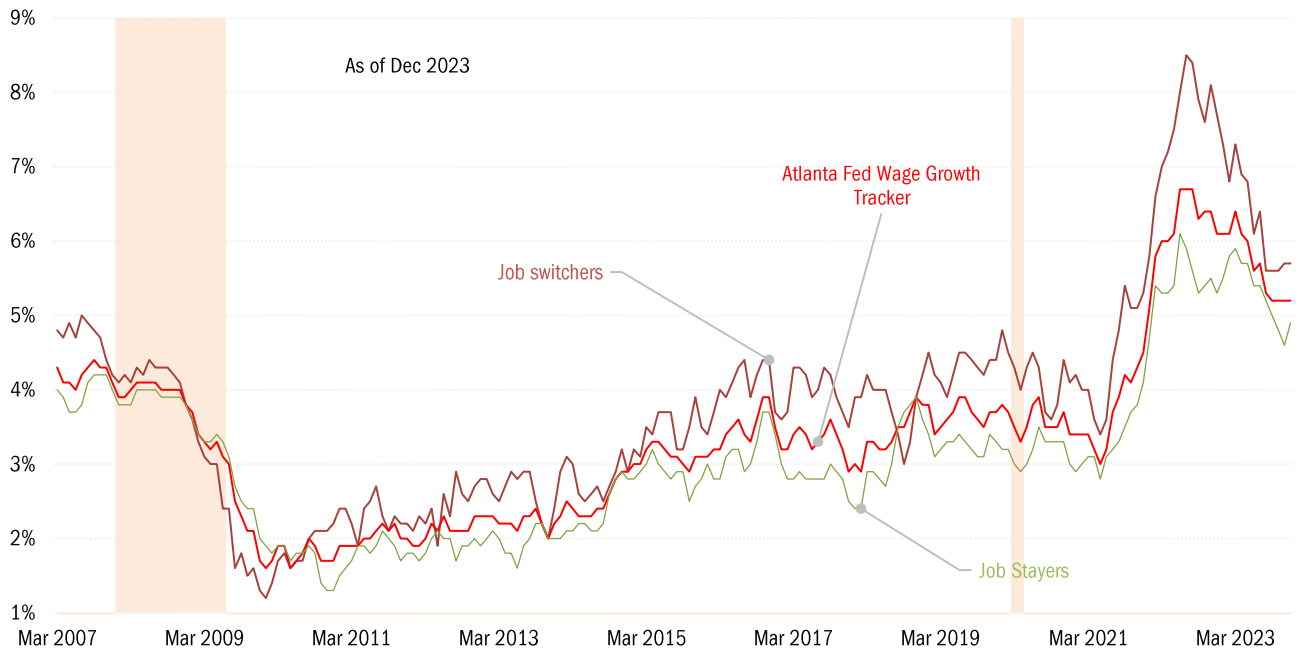
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

## The wages of dynamism

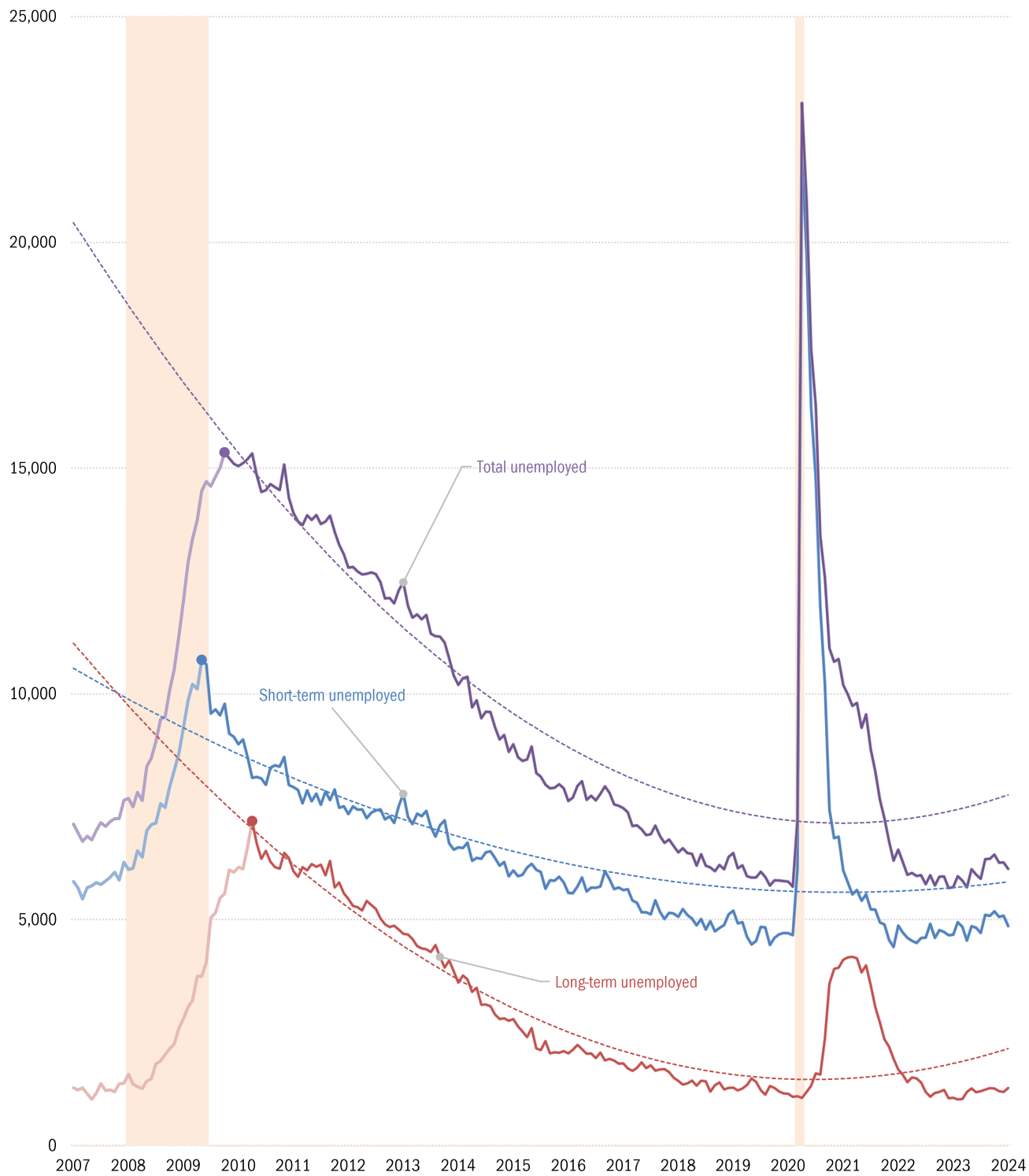
YOY wage growth for steady employees, versus those who change jobs ■ Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

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

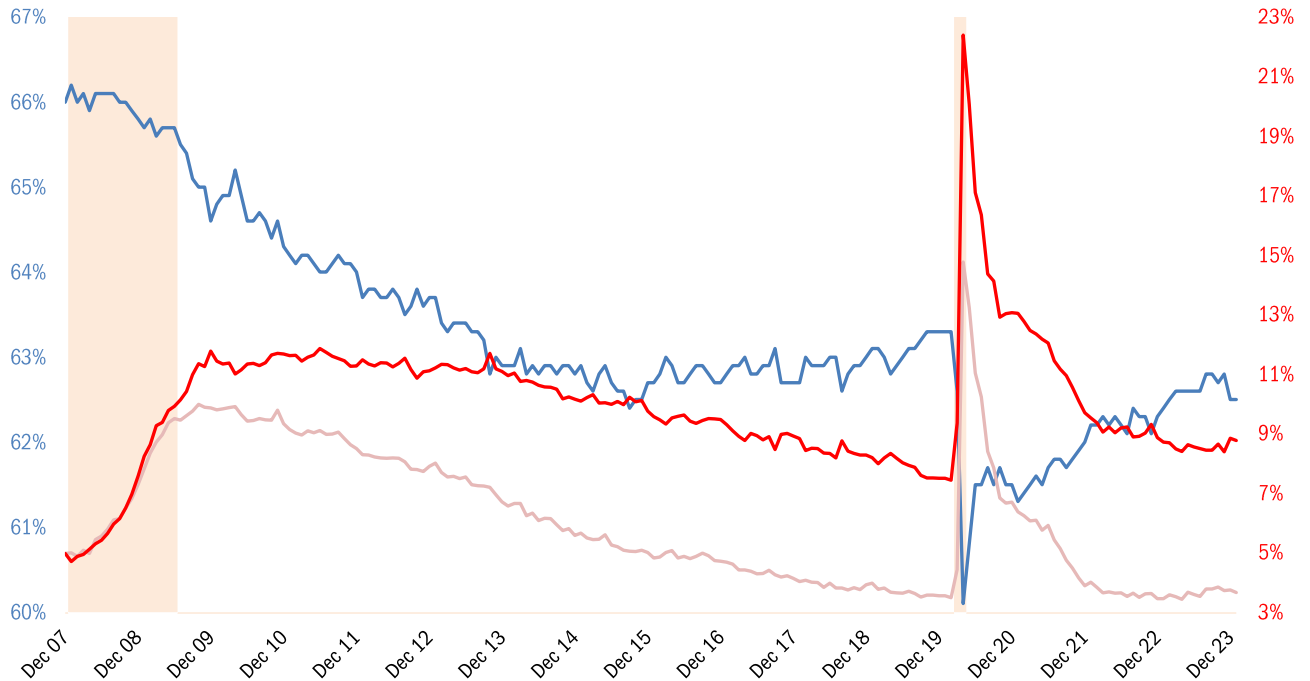
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



Source: BLS Current Population Survey, TrendMacro calculations

## Unemployment rate normalized for participation rate December 2007

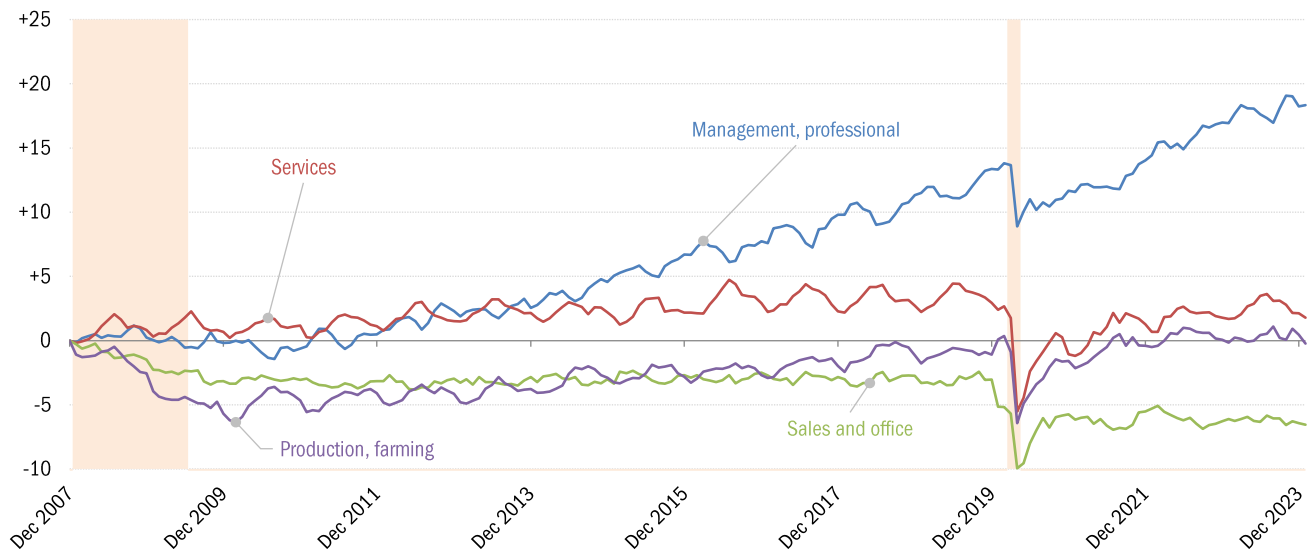
— Participation rate — Headline unemployment rate — Recession



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

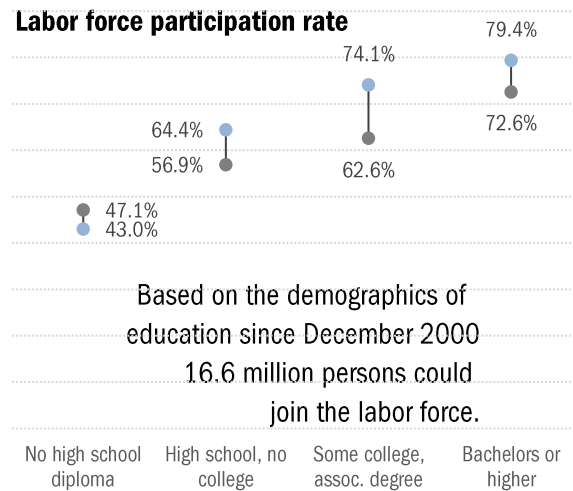
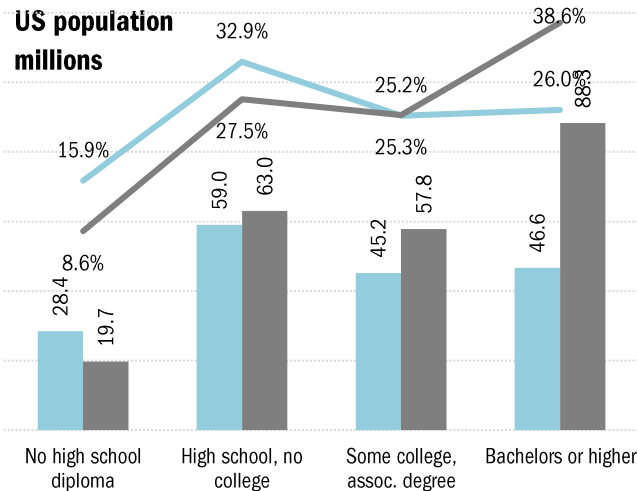
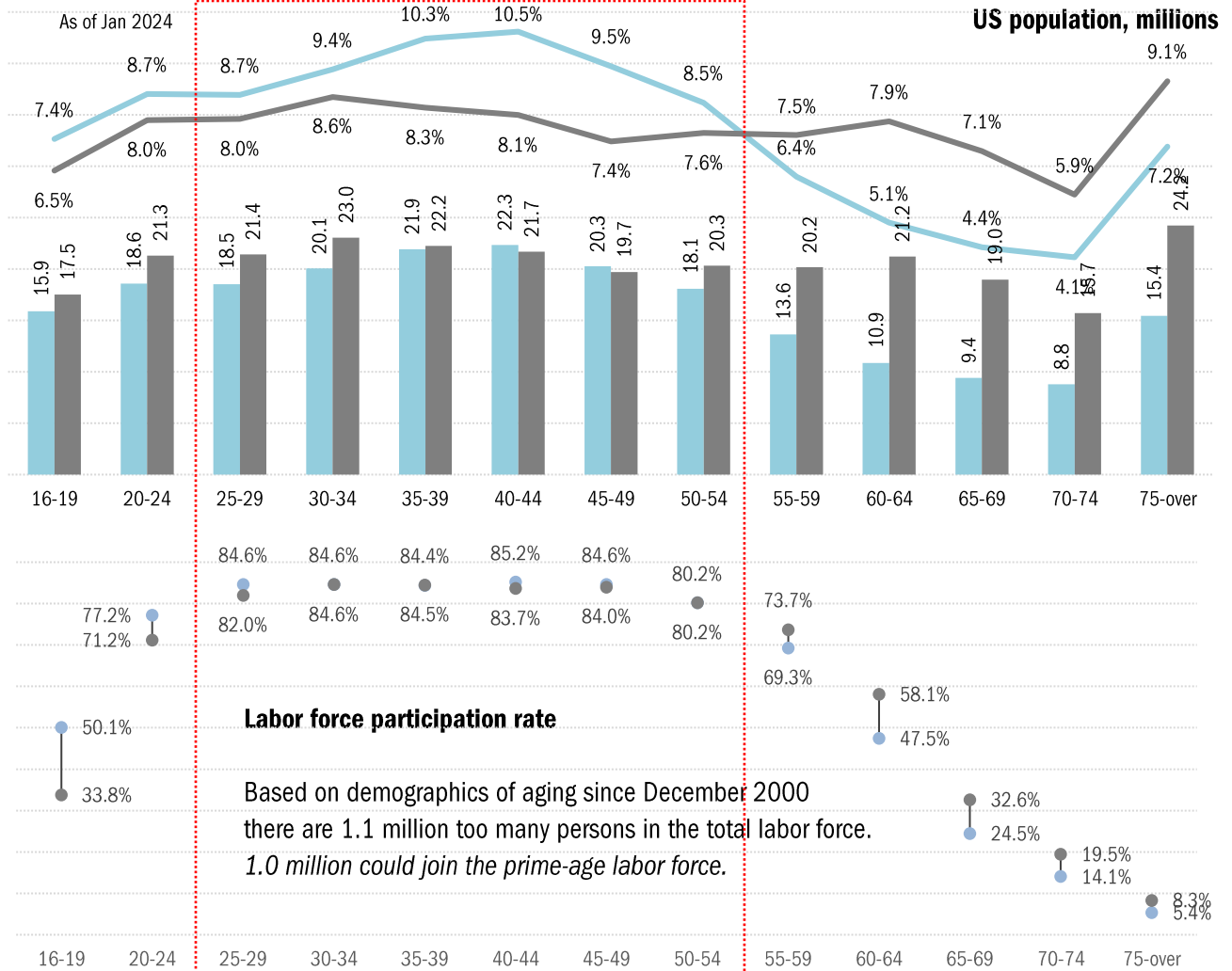


Source: BLS, NBER, TrendMacro calculations



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

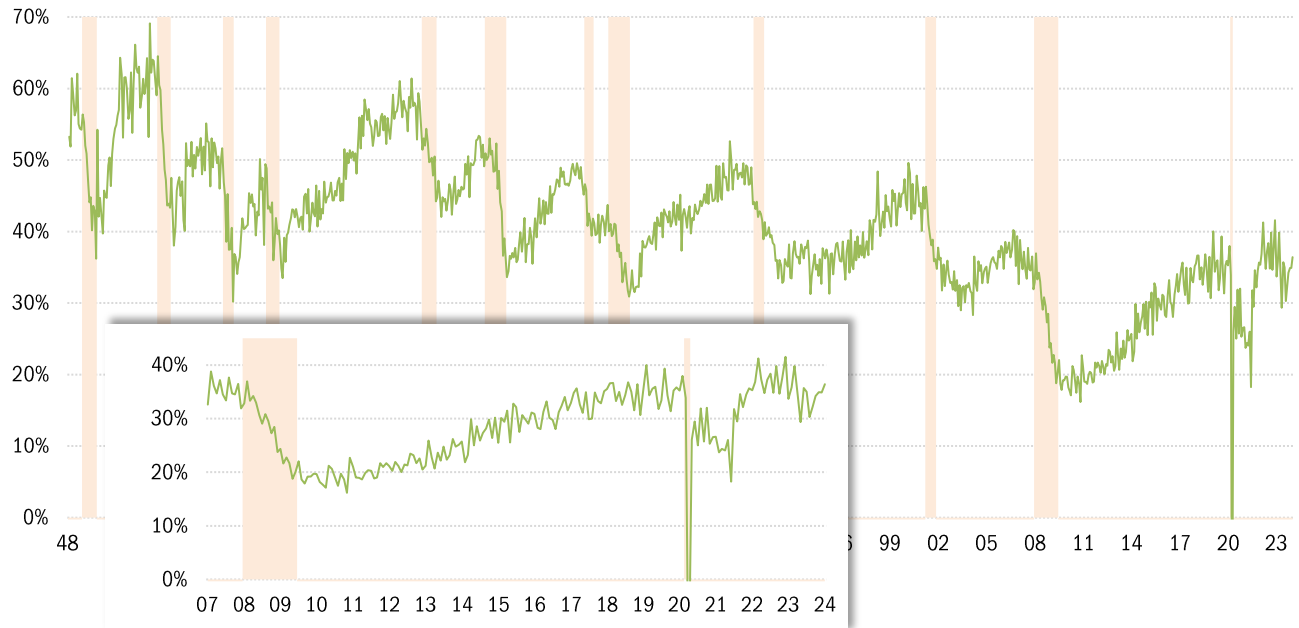
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

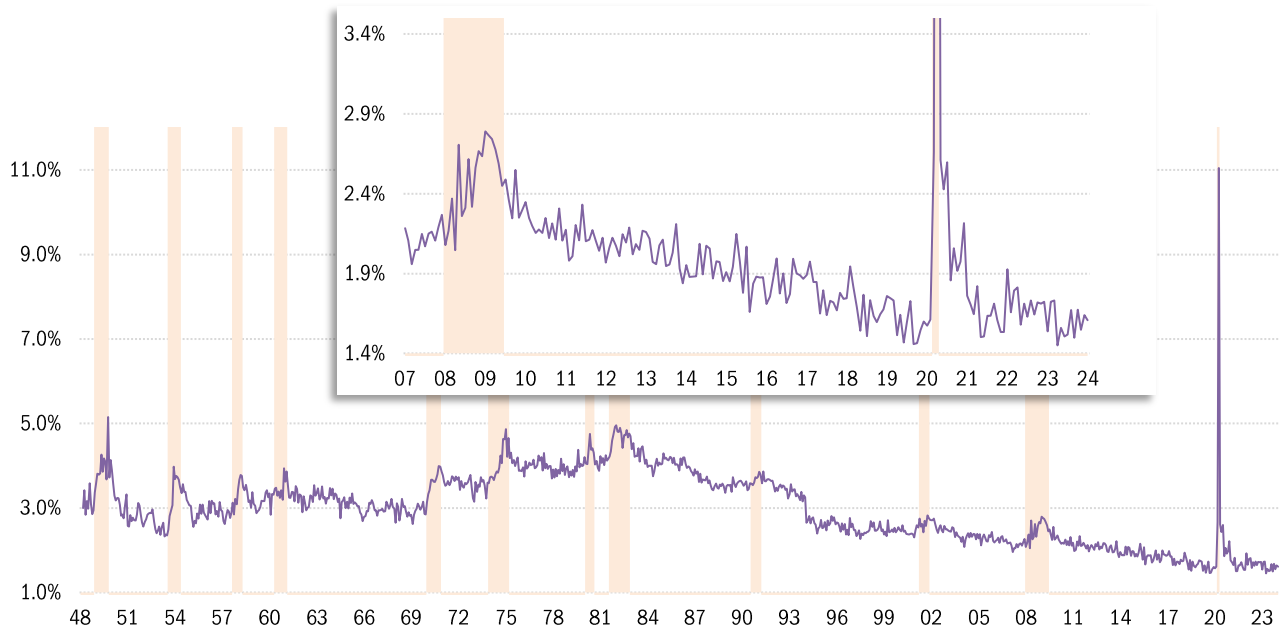
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

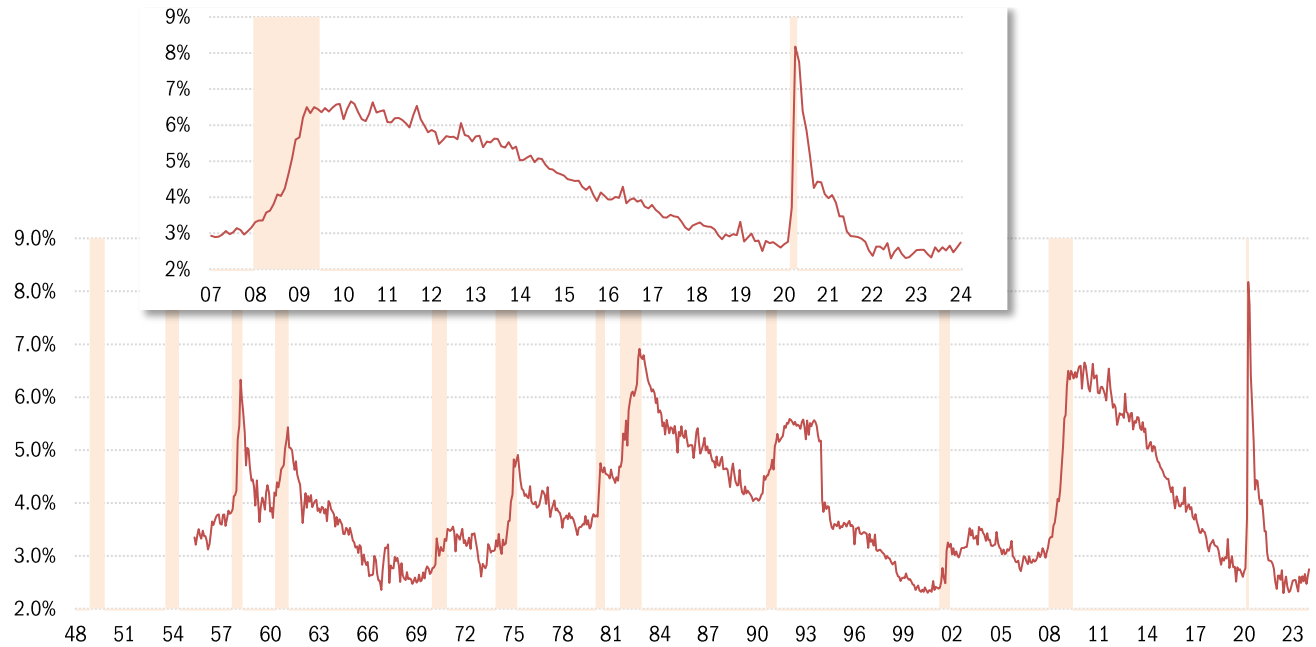
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

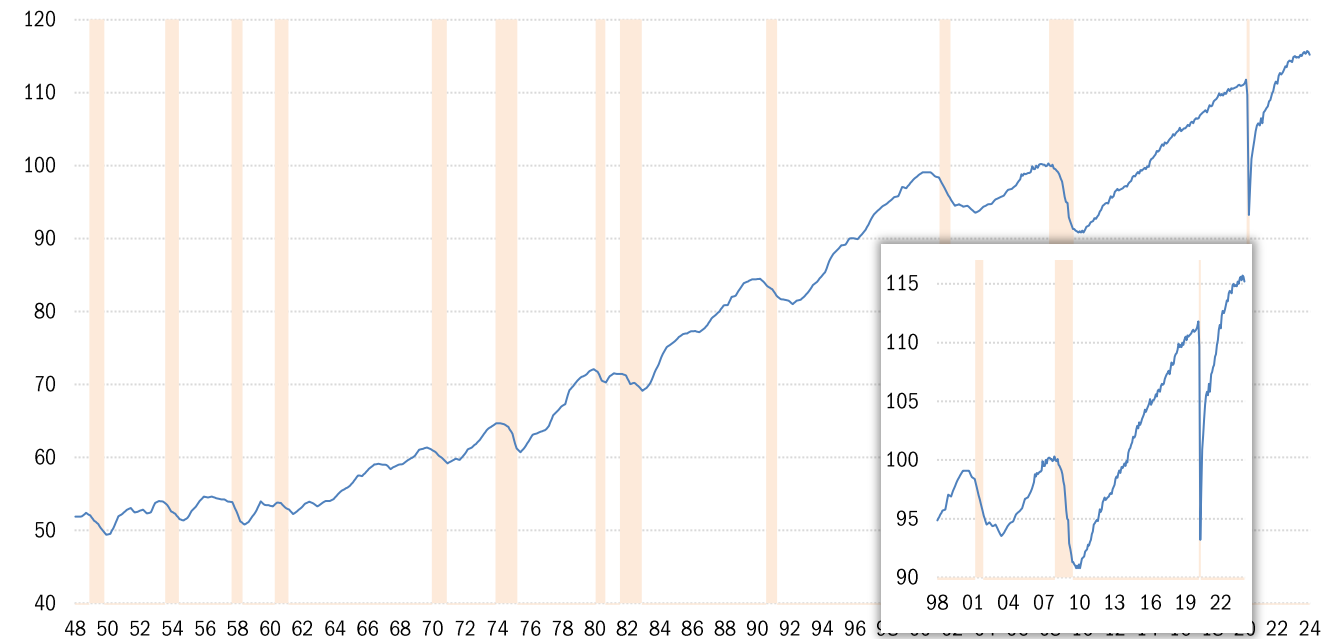
## Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



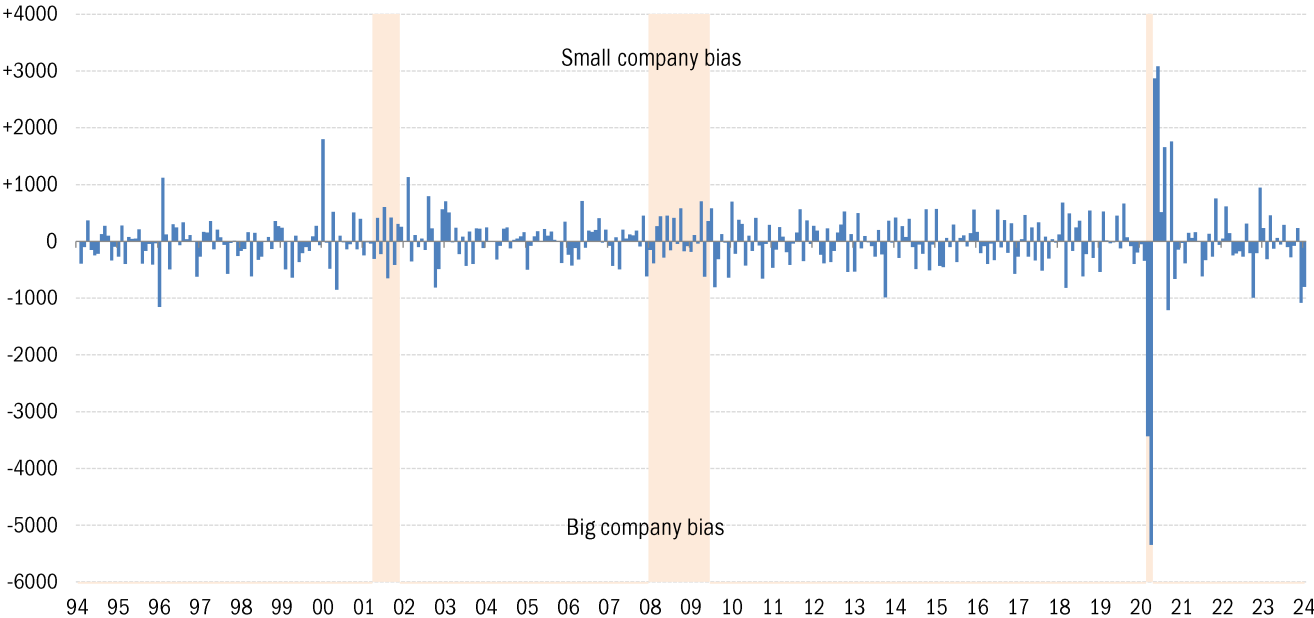
Source: BLS Current Population Survey, TrendMacro calculations

## Aggregate weekly private hours-worked index ■ Recession



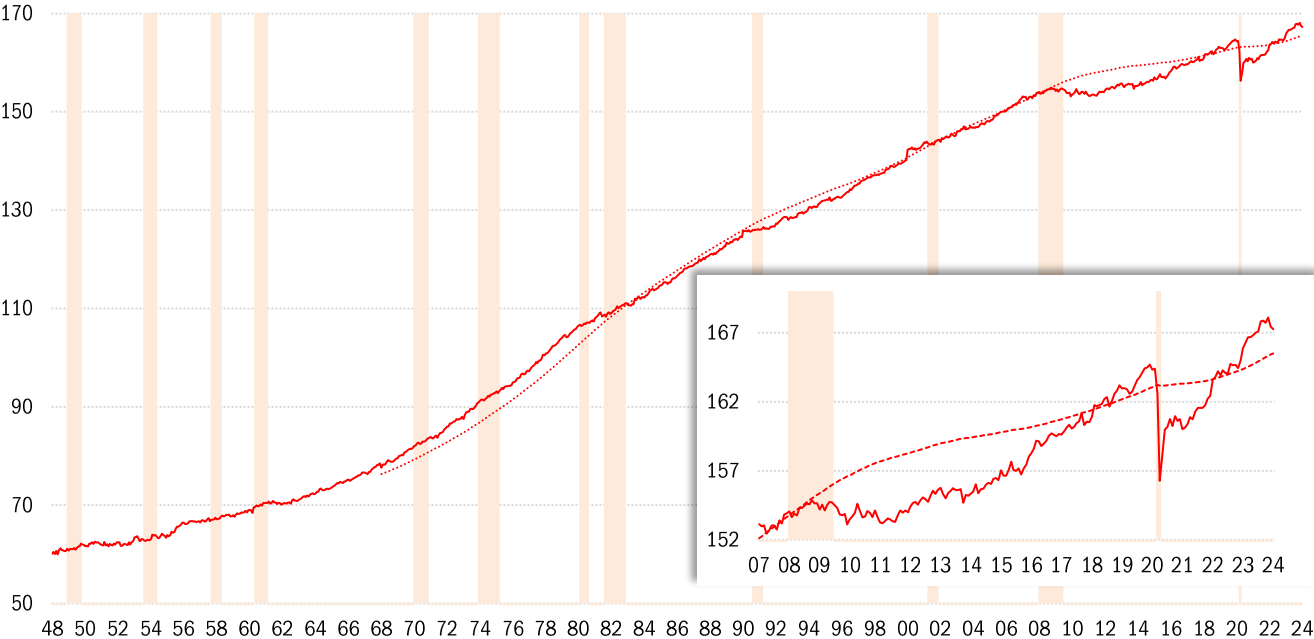
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



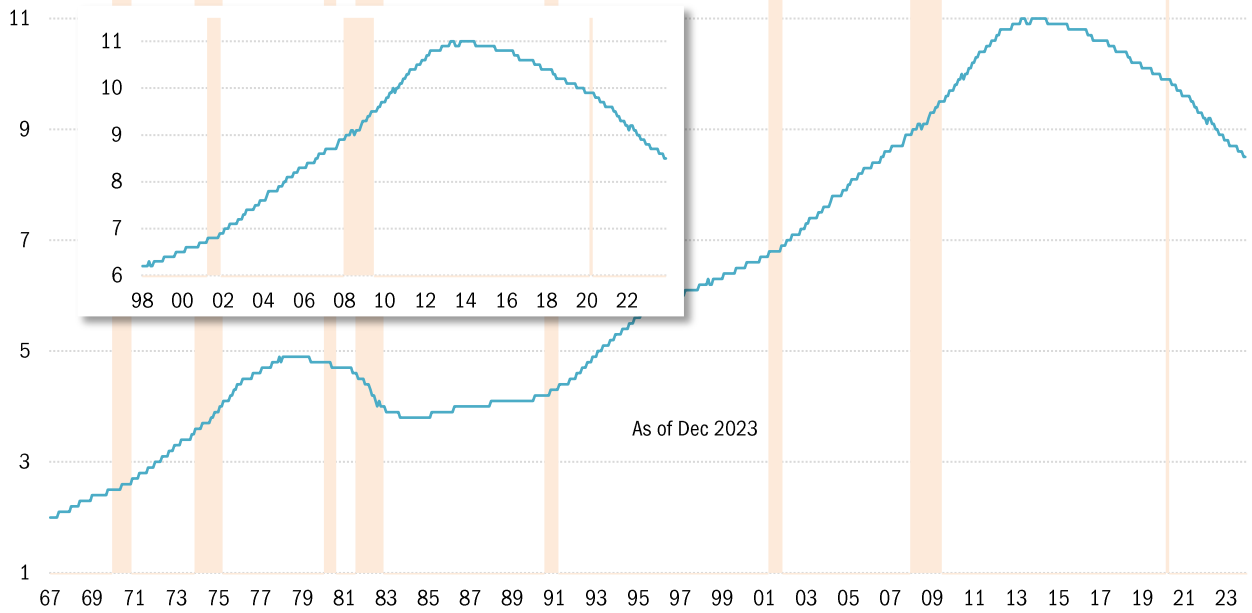
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

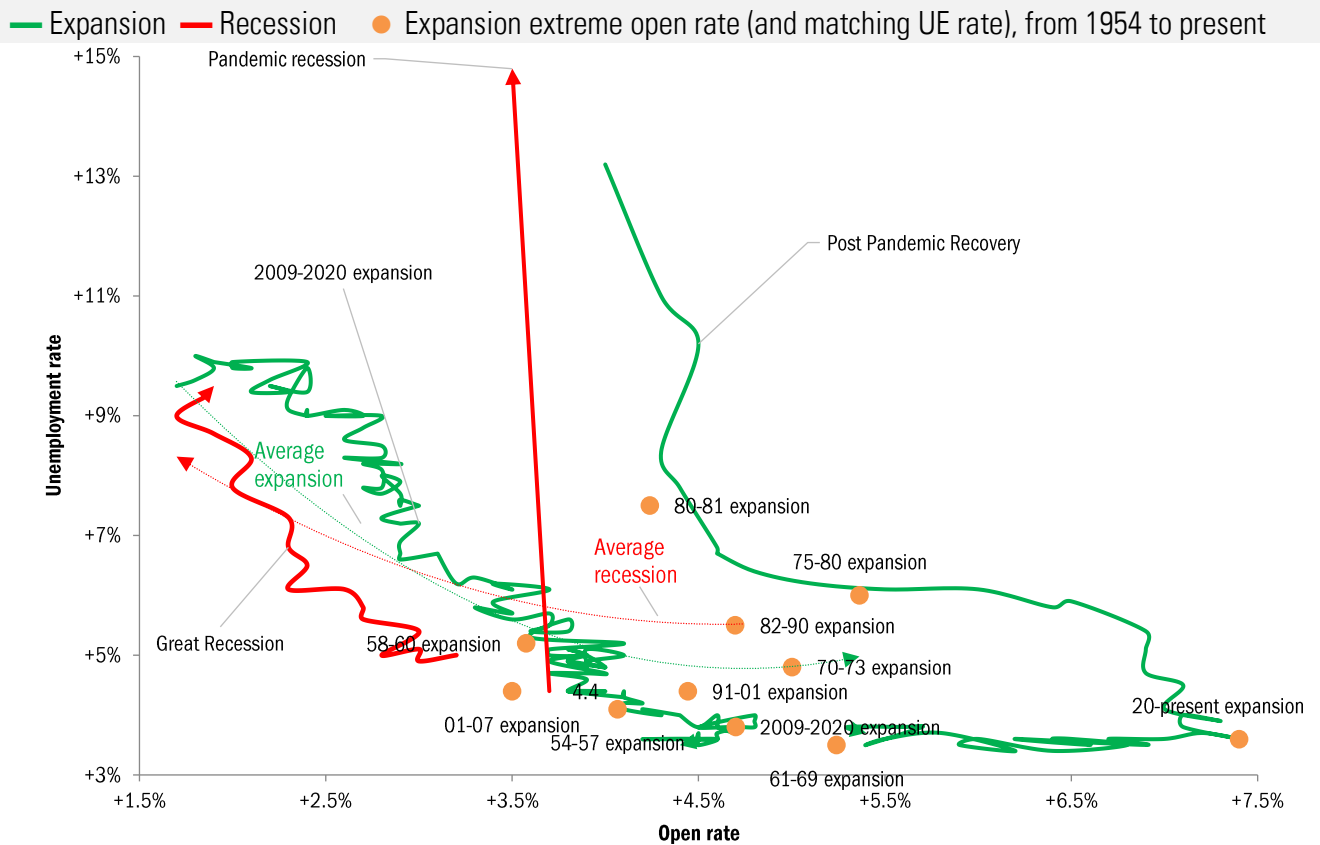


Source: BLS Current Population Survey, TrendMacro calculations

# 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