








Data Insights: Jobs

Friday, July 5, 2024

Today's jobs data: what you need to know

Non-farm payrolls	Change Jun: +206	Revision May: -54	Revision Apr: -57	
Private payrolls	Change Jun: +136	Revision May: -36	Revision Apr: -50	
Employment	Change Jun: +116			
Unemployment	Change Jun: +162			
Long-term unemployment	Change Jun: +27			
Civilian labor force	Change Jun: +277	1.86 million above trend	58.3% of entrants unemployed	
Unemployment rate	Jun: 4.05%	Change Jun: +0.09%		
Underemployment rate	Jun: 7.4%	Change Jun: unch		
Participation rate	Jun: 62.6%	Change Jun: +0.1%		
UE adjusted for participation	Jun: 9.0%	Change Jun: -0.06%		
Average weeks unemployed	Jun: 20.7	Change Jun: -0.5		
% longterm unemployed	Jun: 22.2%	Change Jun: +1.5%		
Aggregate hours worked index	Jun: 116.5	Change Jun: +0.1%	Revision May: unch	
Average hourly earnings	Jun: +0.29%	Change Jun: -0.15%	Revision May: +0.03%	
Aggregate weekly earnings	Jun: 194.9	Change Jun: +0.4%	Revision May: +0.1	
Monthly job-finding probability	Jun: 29.6%	Change Jun: -3.6%		
Monthly separation probability	Jun: 1.6%	Change Jun: -0.1%		
% involuntary part-time	Jun: 2.6%	Change Jun: -0.1%		
"Household" vs "Payroll" jobs	Change Jun: +116			

Source: Bureau of Labor Statistics, TrendMacro calculations

For more information contact us:

Donald Luskin: 214 550 2020 don@trendmacro.com
 Thomas Demas: 704 552 3625 tdemas@trendmacro.com

Today's jobs data: a deeper dive

Non-farm payrolls SA	Change Jun: +206	Revision May: -54	Revision Apr: -57	
Non-farm payrolls NSA	Change Jun: +547	Revision May: -73	Revision Apr: unch	
Birth-death adjustment	Adj for Jun: +59			
Employment	Change Jun: +116			
Unemployment rate	Jun: 4.05%	Change Jun: +0.09%		
White employment	Change Jun: +173			
White unemployment rate	Jun: 3.5%	Change Jun: 0.0%		
Black employment	Change Jun: -73			
Black unemployment rate	Jun: 6.3%	Change Jun: 0.2%		
Hispanic employment	Change Jun: +203			
Hispanic unemployment rate	Jun: 4.9%	Change Jun: -0.1%		
Asian employment	Change Jun: +7			
Asian unemployment rate	Jun: 4.1%	Change Jun: 1.0%		
High school only employment	Change Jun: -440			
HS only unemployment rate	Jun: 4.1%	Change Jun: 0.1%		
Men employment	Change Jun: +632			
Men unemployment rate	Jun: 4.1%	Change Jun: -0.1%		
Women employment	Change Jun: -517			
Women unemployment rate	Jun: 4.0%	Change Jun: 0.3%		

Source: Bureau of Labor Statistics, TrendMacro calculations

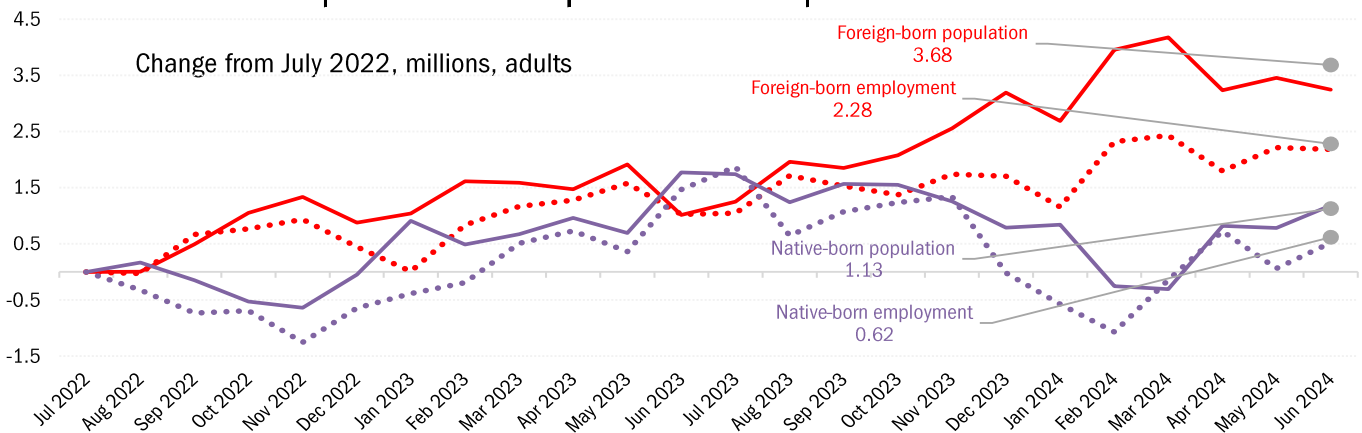
TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+150	49.3	46.1	+32	229	48,786	15	-2
Model estimate	Actual	Actual beat(+) or miss (-)					
+143	+206	+63					

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

Today's jobs data: labor economics of immigration (not seasonally adjusted)

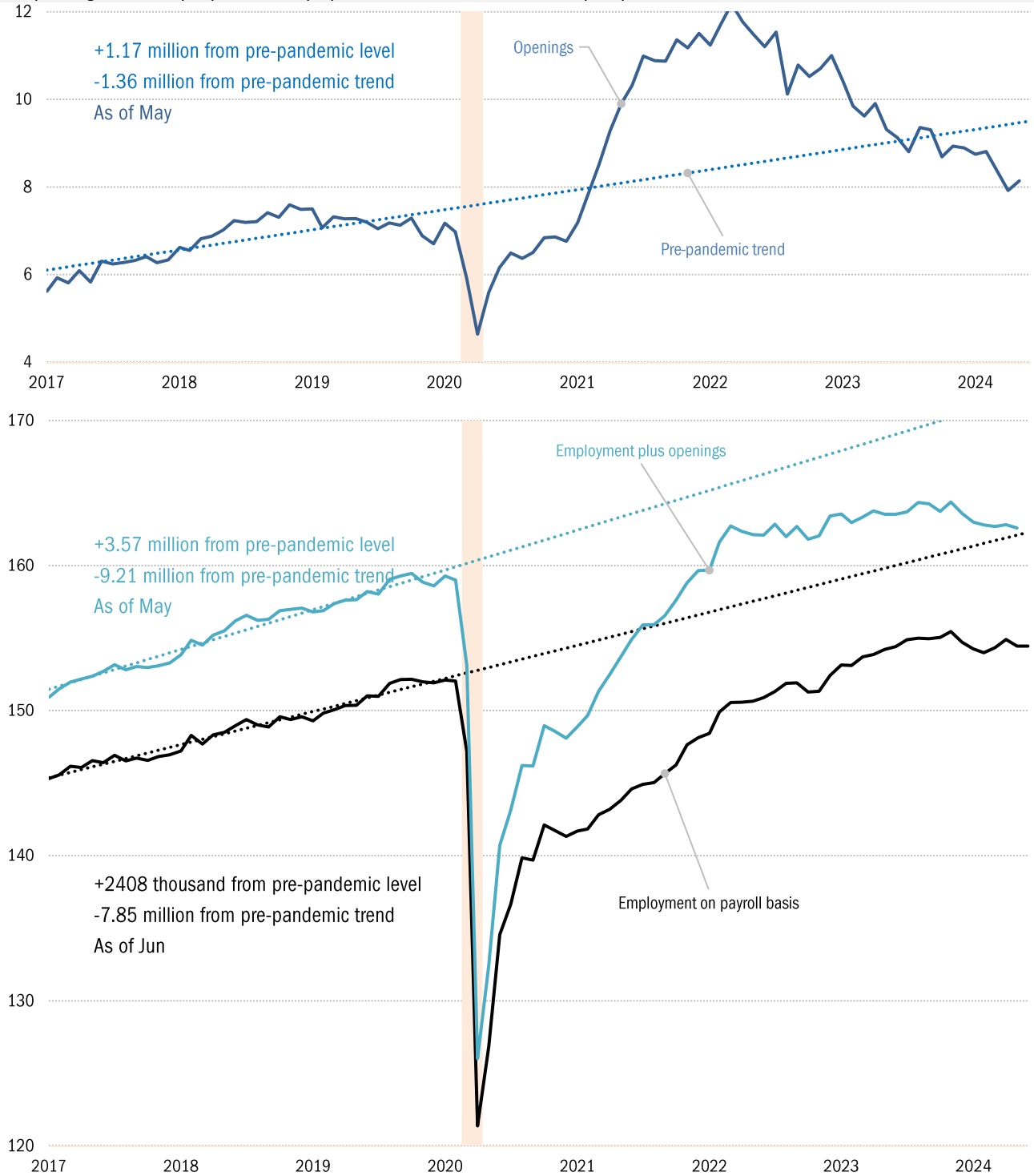
Employment NSA	Change Jun:	+433		
Unemployment rate NSA	Jun:	4.3%	Change Jun:	0.60%
Adult population SA	Change Jun:	+190		
Foreign-born employment	Change Jun:	-29		
Foreign-born UE rate	Jun:	4.2%	Change Jun:	0.8%
Foreign-born population	Change Jun:	-212		
Foreign-born emp men	Change Jun:	-6		
Foreign-born UE rate men	Jun:	4.1%	Change Jun:	0.5%
Foreign-born pop men	Change Jun:	-140		
Foreign-born emp women	Change Jun:	-23		
Foreign-born UE rate women	Jun:	4.4%	Change Jun:	1.2%
Foreign-born pop women	Change Jun:	-72		
Native-born employment	Change Jun:	+461		
Native-born UE rate	Jun:	4.3%	Change Jun:	0.5%
Native-born population	Change Jun:	+402		
Native-born emp men	Change Jun:	+1112		
Native-born UE rate men	Jun:	4.2%	Change Jun:	0.1%
Native-born pop men	Change Jun:	+232		
Native-born emp women	Change Jun:	-650		
Native-born UE rate women	Jun:	4.4%	Change Jun:	0.9%
Native-born pop women	Change Jun:	+170		



Source: Bureau of Labor Statistics, TrendMacro calculations

Is the labor market tight or slack?

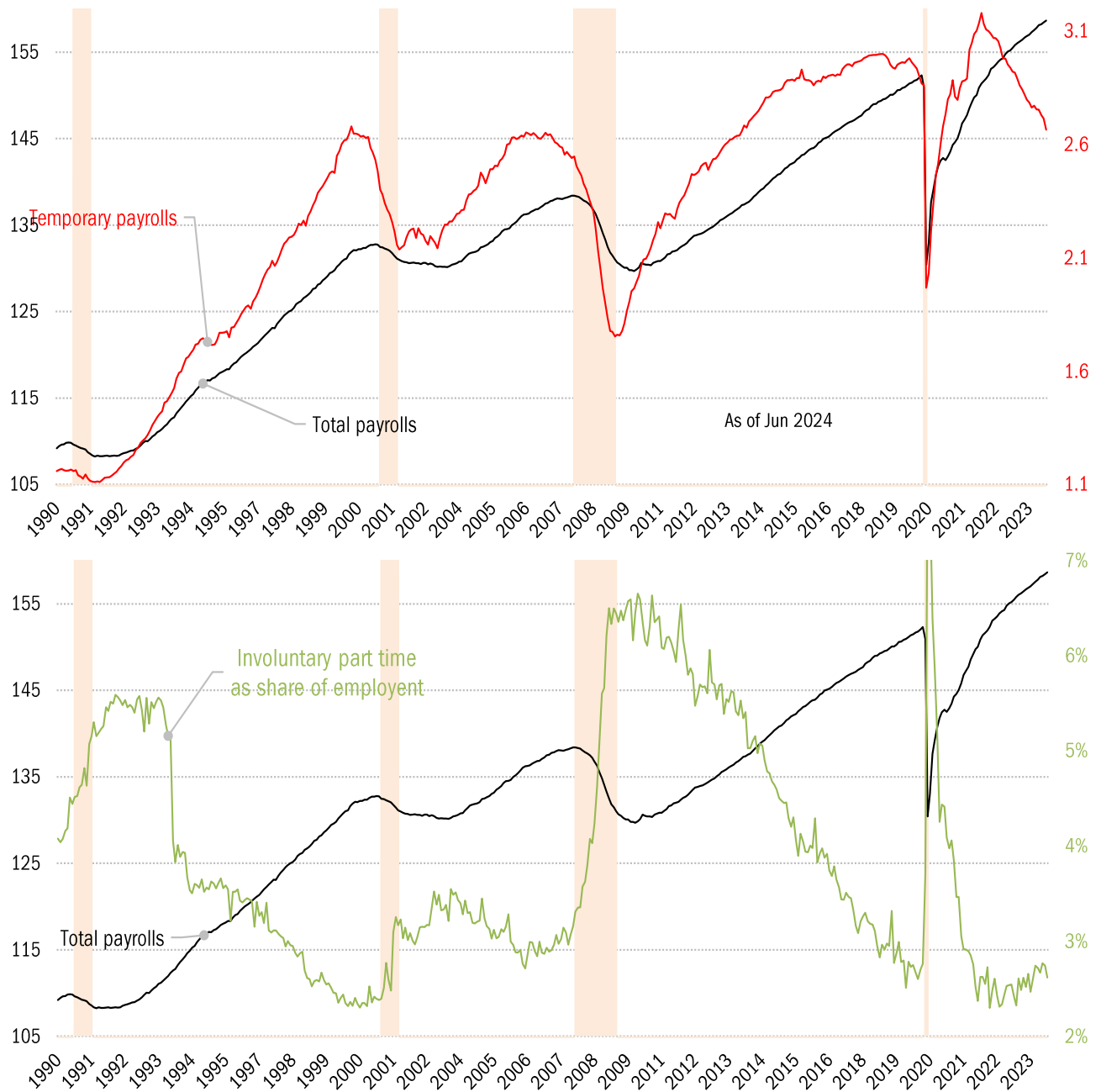
Job openings and employment (on payroll basis, millions) versus pre-pandemic trends ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

Is the temporary jobs market warning us??

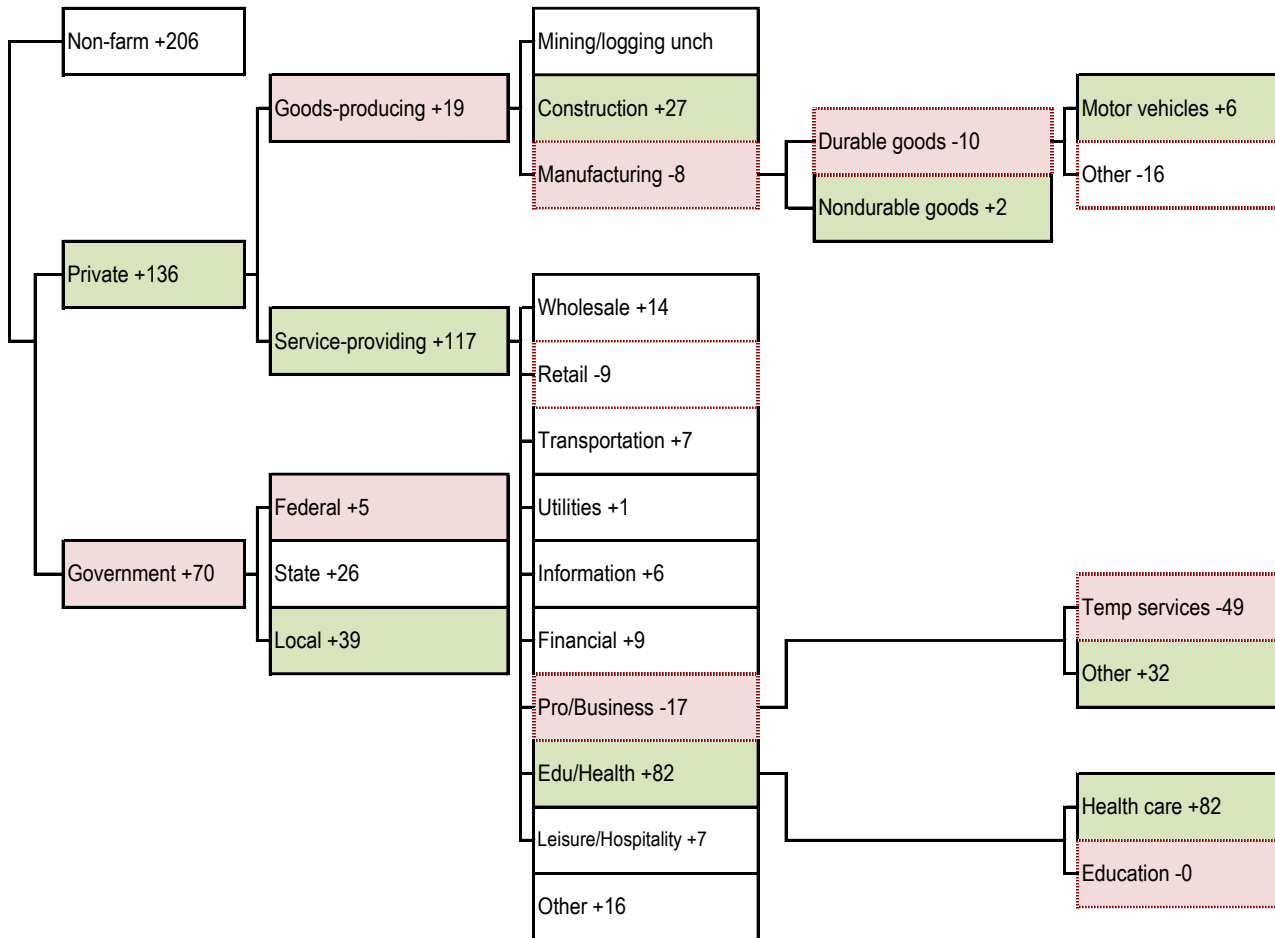
Regular and temporary payrolls (millions) and part-timers (share) ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

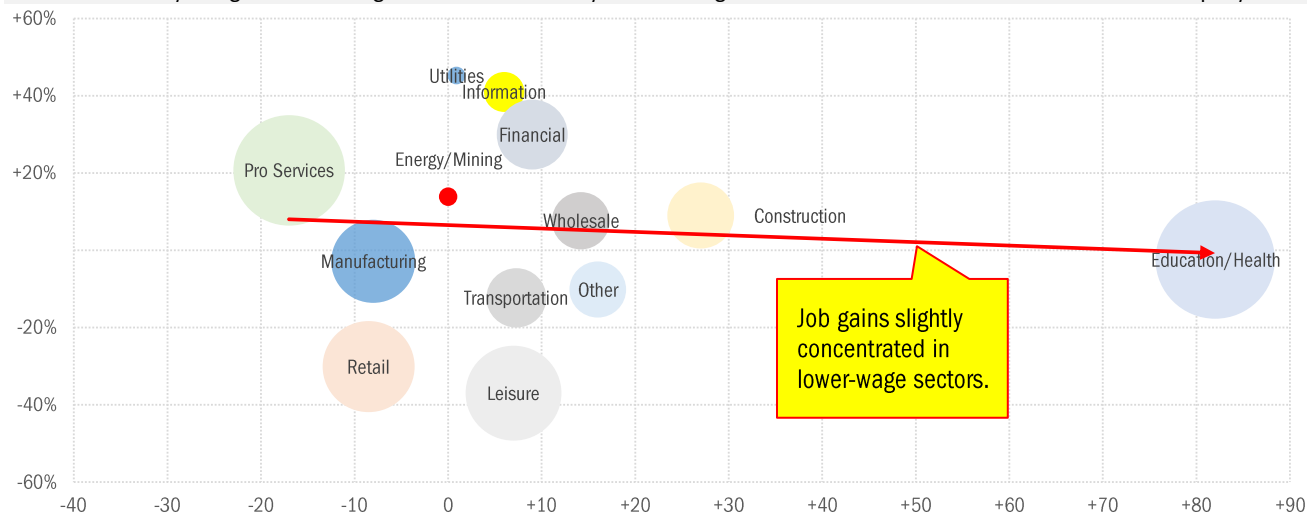
Today's payroll data: what you need to know -- where did the jobs come from?

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



Where is the pay coming from?

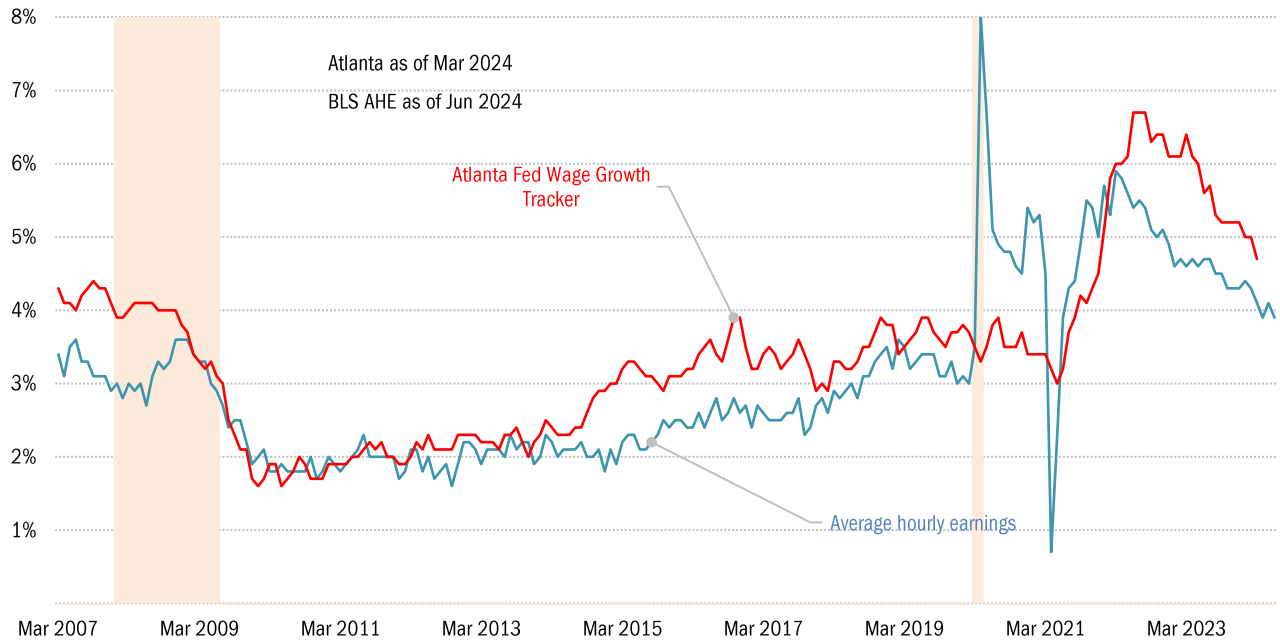
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

Solving the wage-growth puzzle

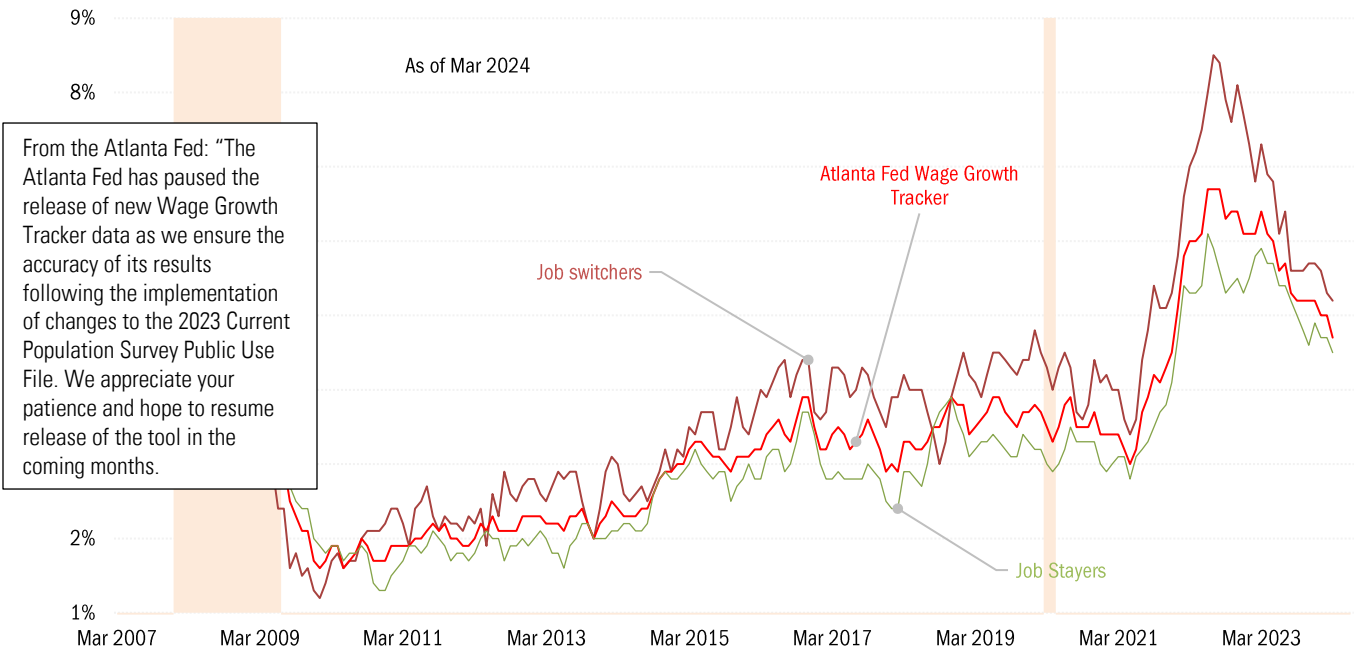
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

The wages of dynamism

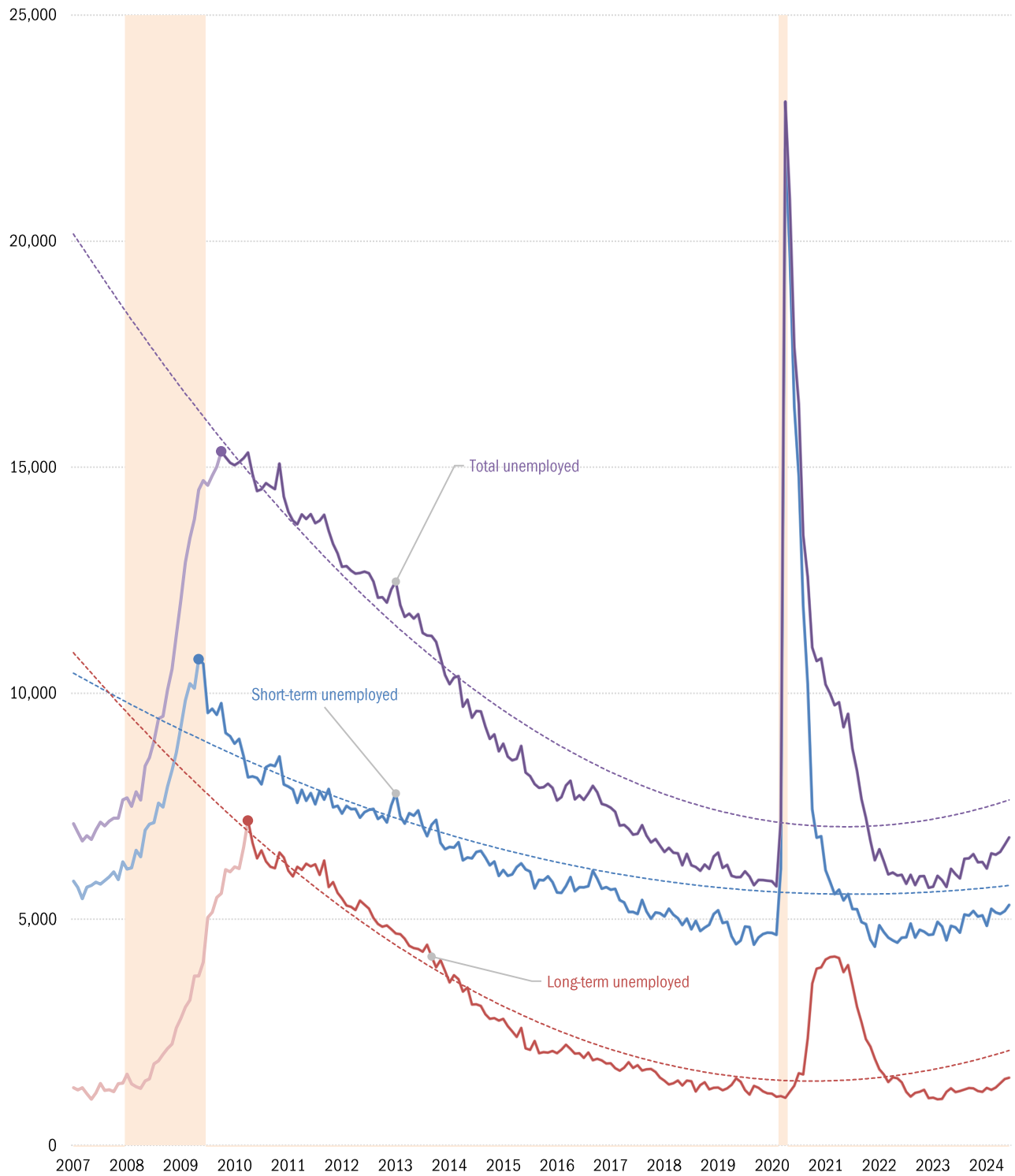
YOY wage growth for steady employees, versus those who change jobs ■ Recession



Source: Atlanta Federal Reserve Bank, TrendMacro calculations

The Great Recession, jobless recovery, the virus and the post-war boom

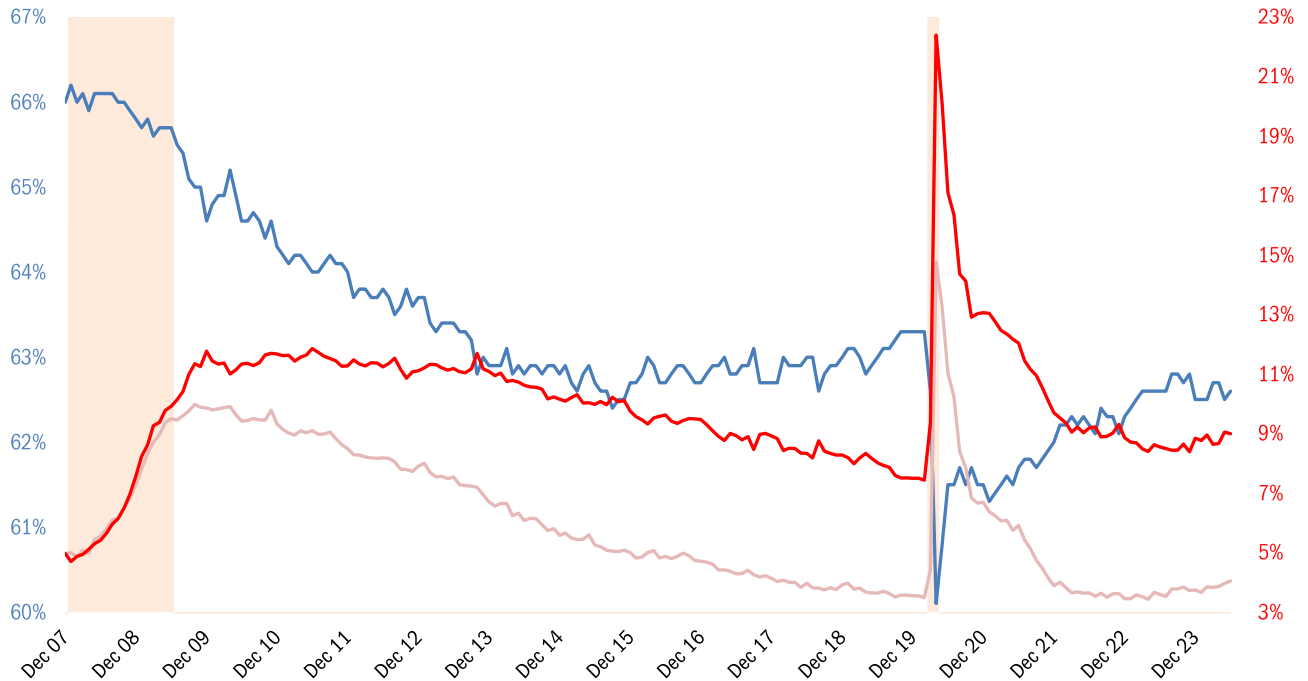
Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks



Source: BLS Current Population Survey, TrendMacro calculations

Unemployment rate normalized for participation rate December 2007

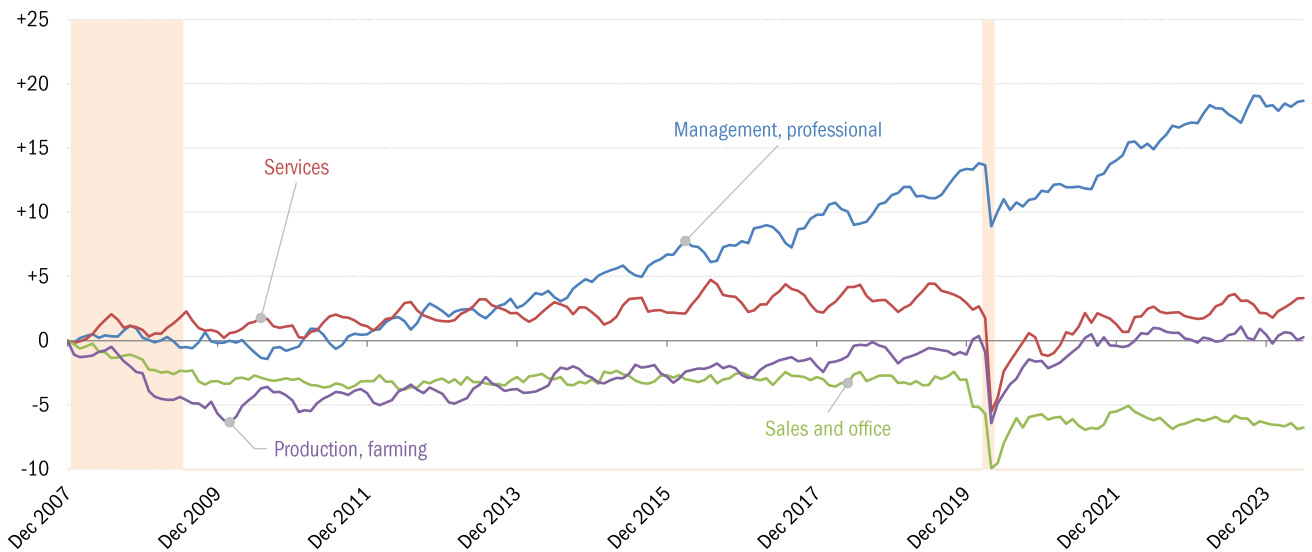
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

Winner and losers in the long boom and the virus crisis

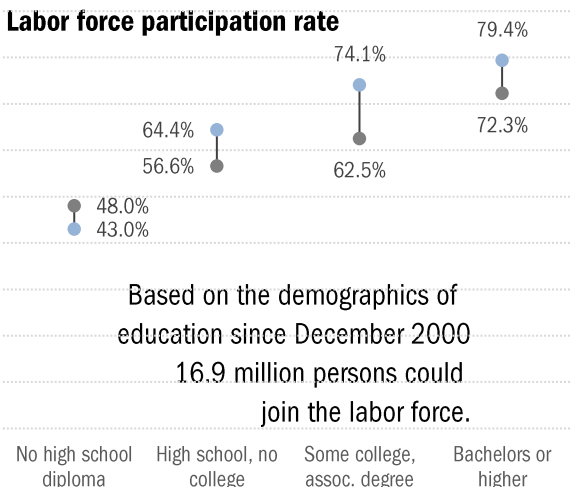
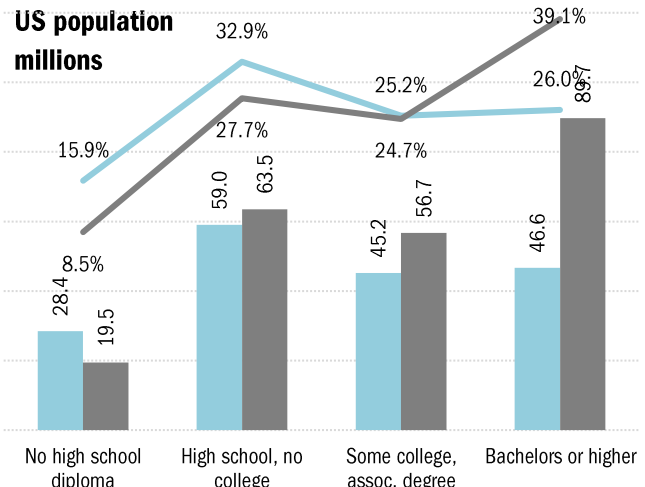
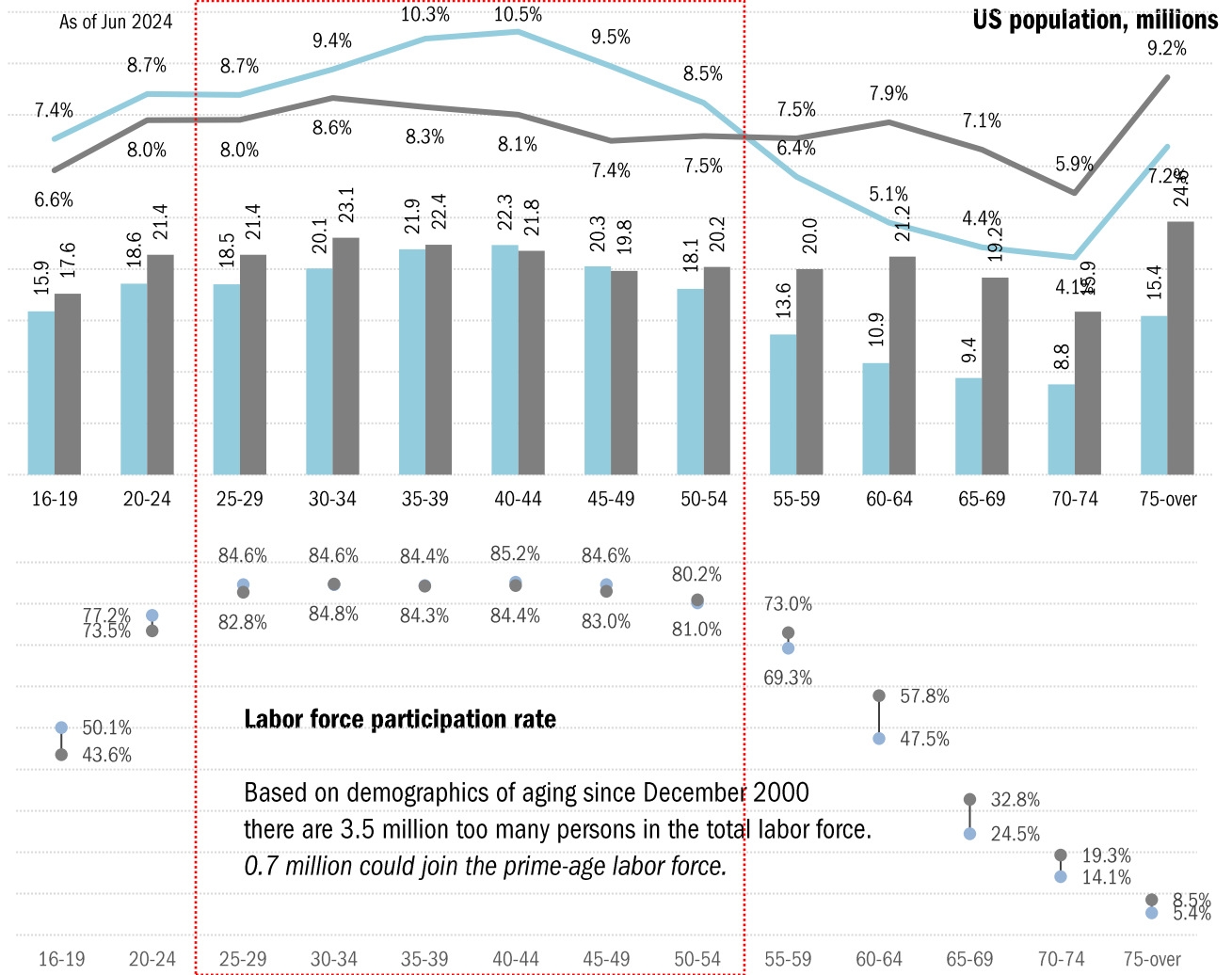
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

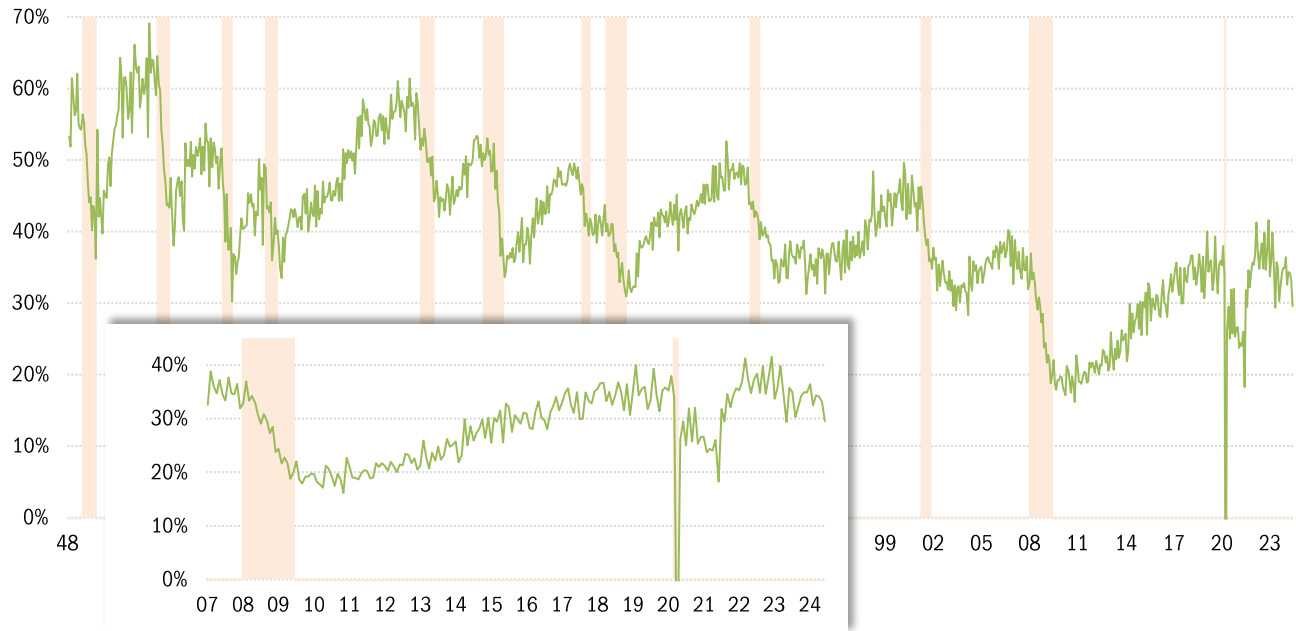
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

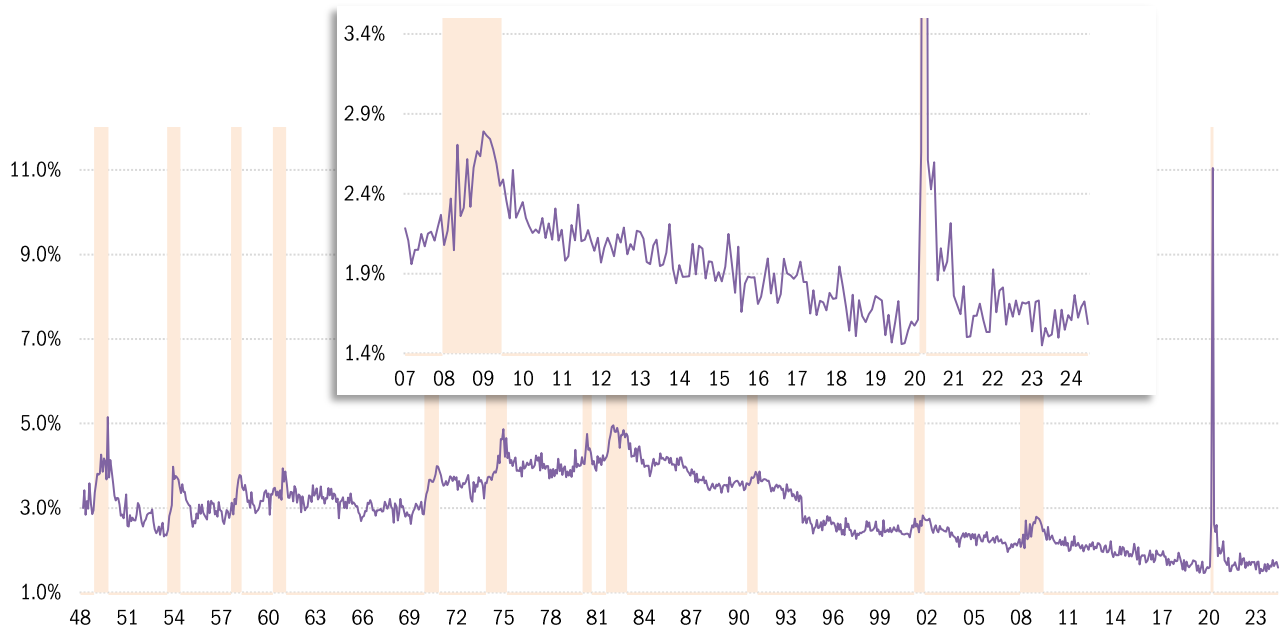
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

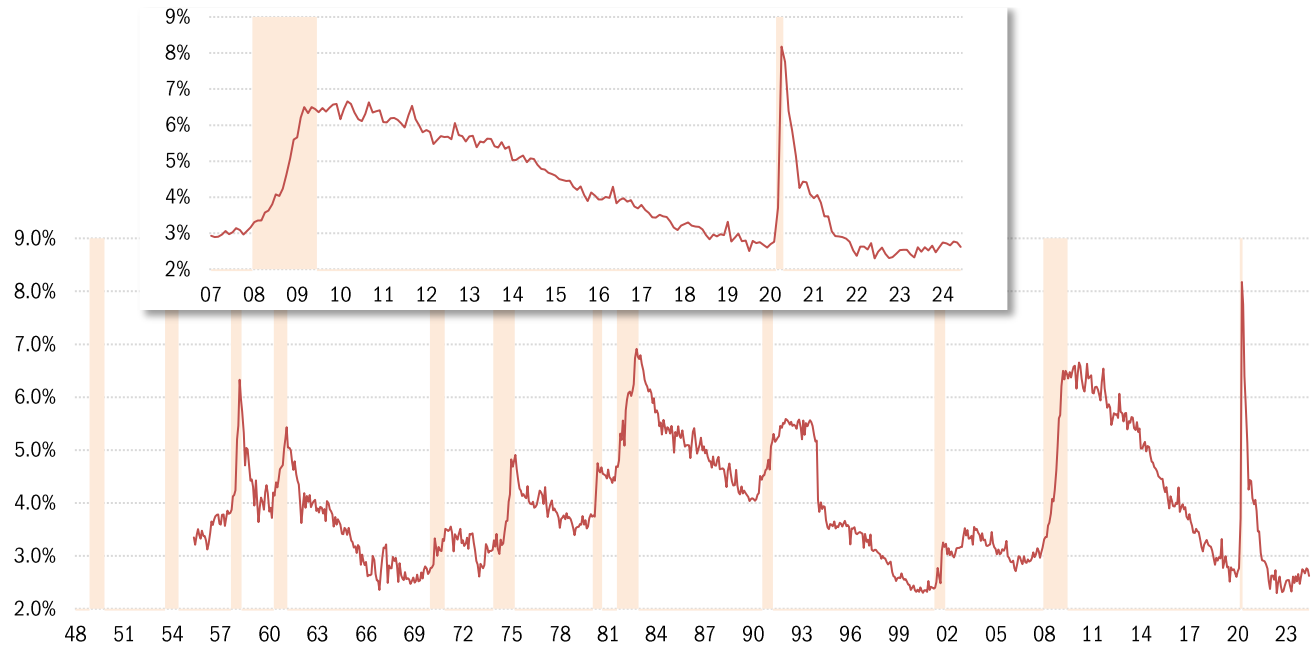
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#)) Recession



Source: BLS Current Population Survey, TrendMacro calculations

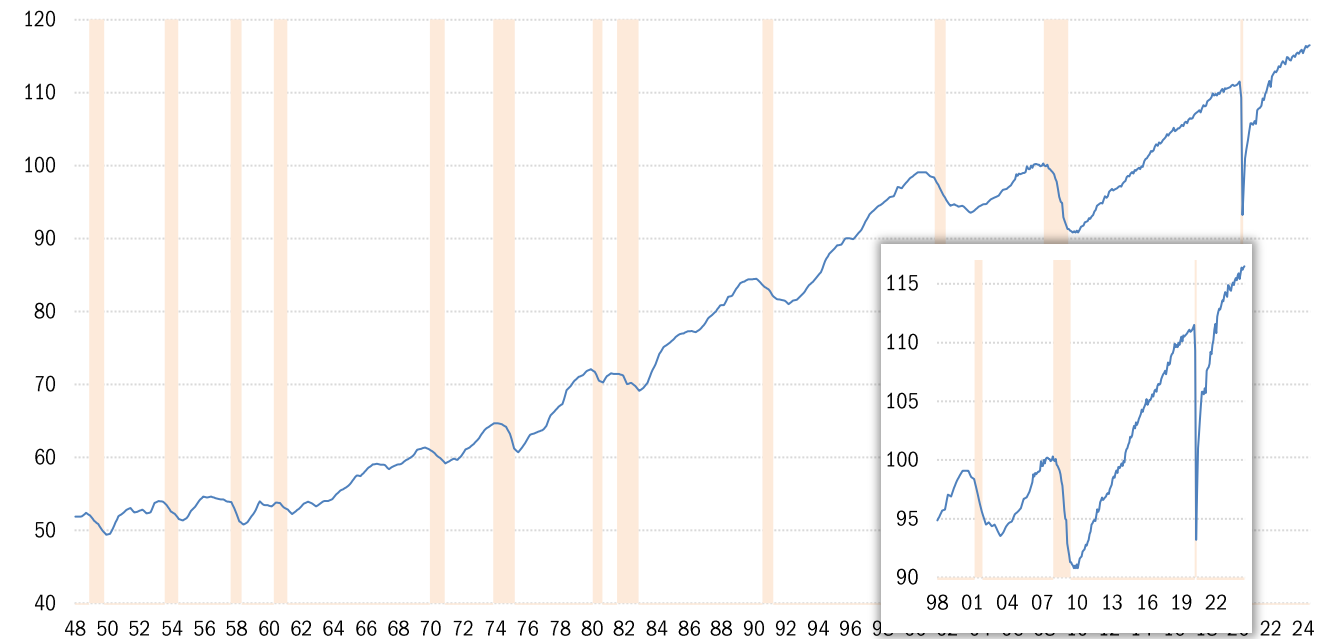
Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



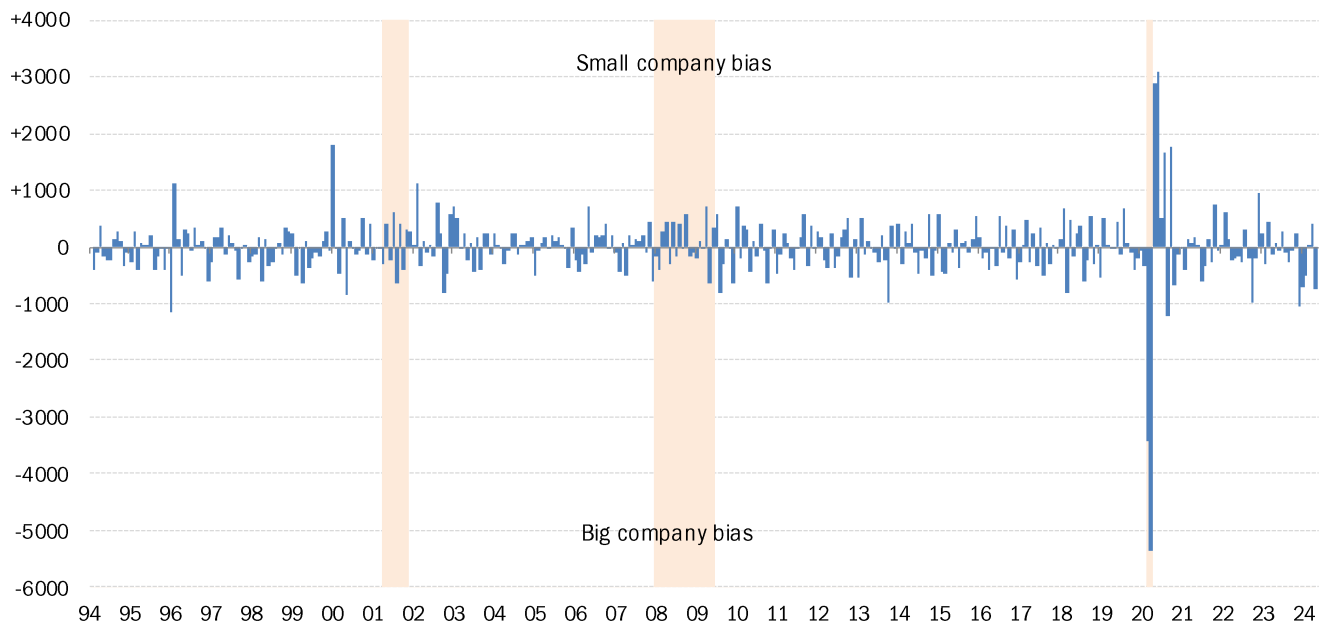
Source: BLS Current Population Survey, TrendMacro calculations

Aggregate weekly private hours-worked index ■ Recession



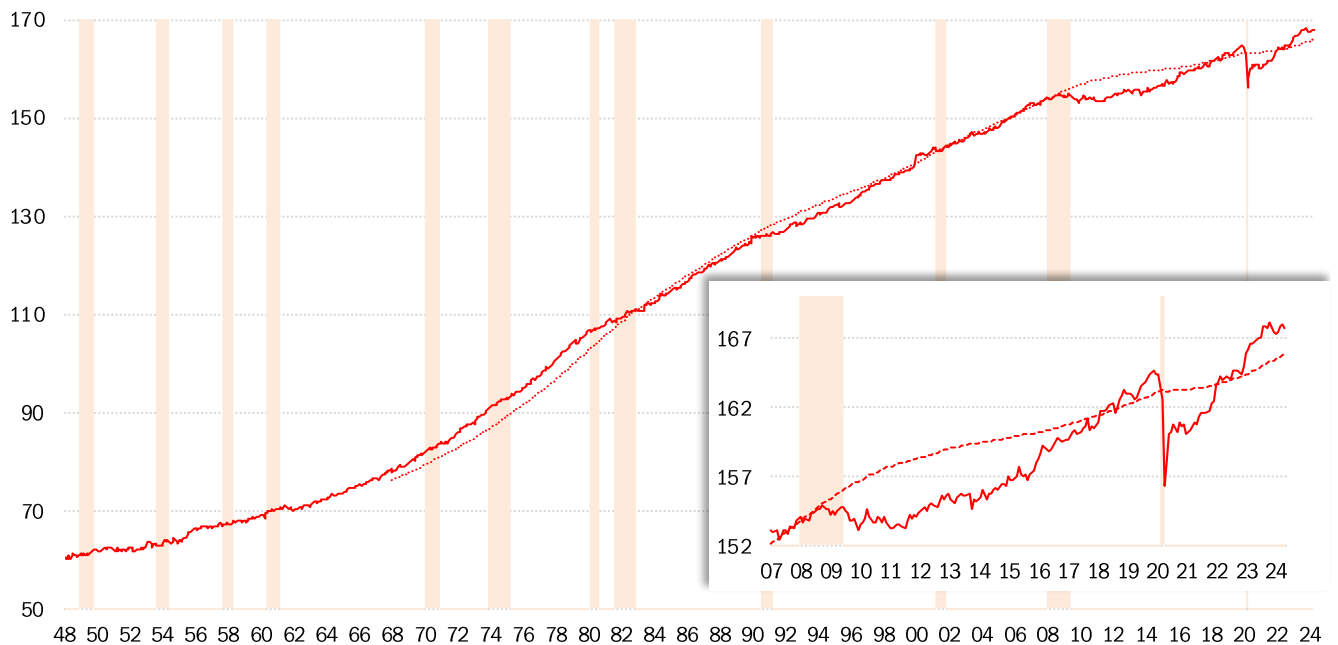
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



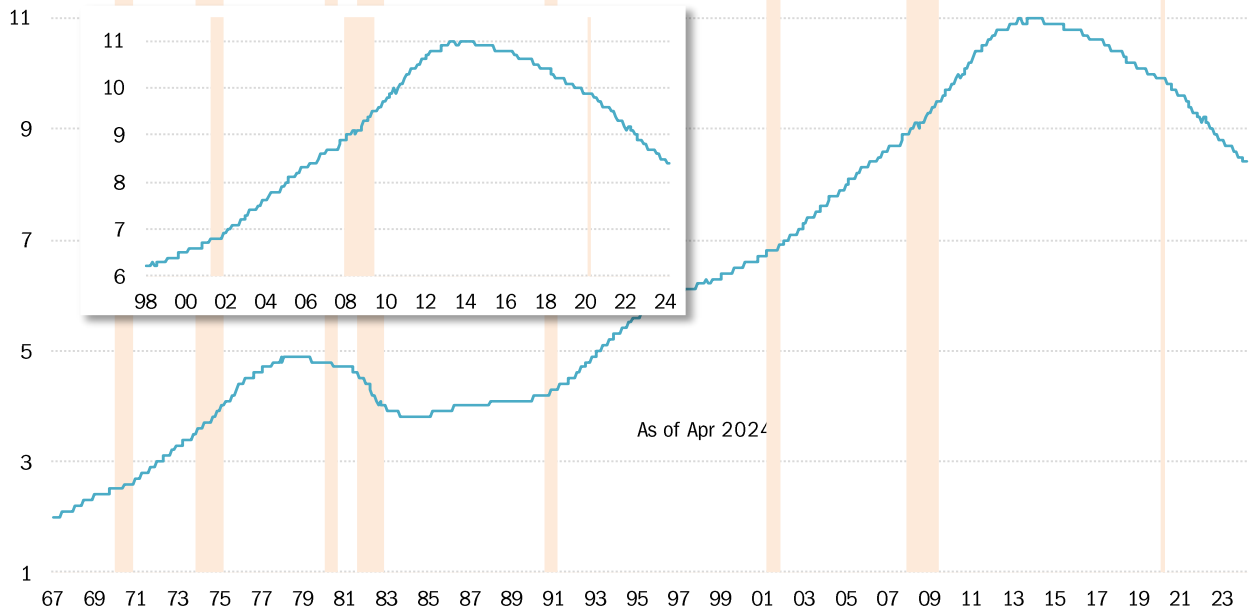
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

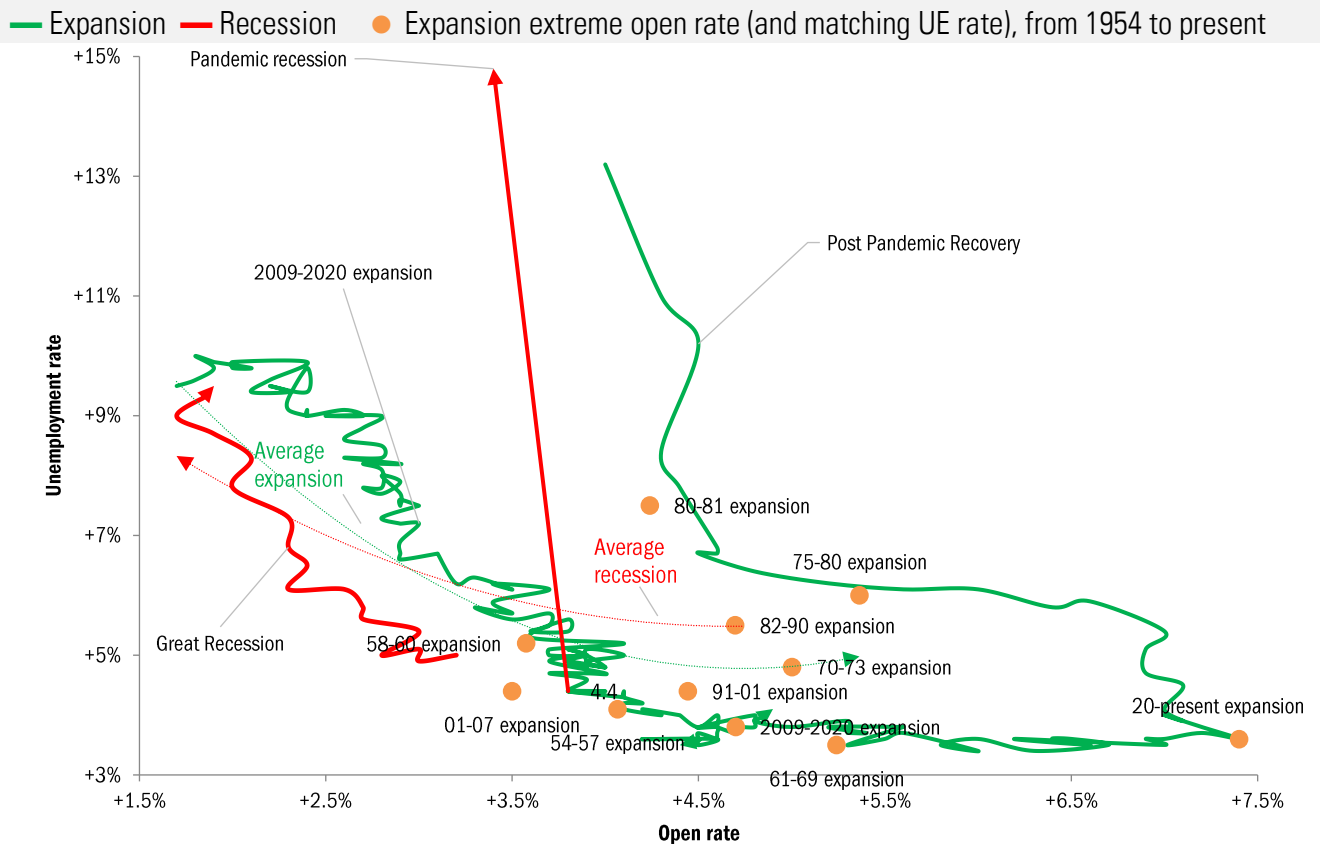


Source: BLS Current Population Survey, TrendMacro calculations

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