


## Data Insights: Jobs

Friday, August 2, 2024

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

<b>Non-farm payrolls</b>	Change Jul: +114	Revision Jun: -27	Revision May: -2	
<b>Private payrolls</b>	Change Jul: +97	Revision Jun: unch	Revision May: +13	
<b>Employment</b>	Change Jul: +67			
<b>Unemployment</b>	Change Jul: +352			
<b>Long-term unemployment</b>	Change Jul: +90			
<b>Civilian labor force</b>	Change Jul: +420	At trend	84.0% of entrants unemployed	
<b>Unemployment rate</b>	Jul: 4.25%	Change Jul: +0.20%		
<b>Underemployment rate</b>	Jul: 7.8%	Change Jul: +0.4%		
<b>Participation rate</b>	Jul: 62.7%	Change Jul: +0.1%		
<b>UE adjusted for participation</b>	Jul: 9.0%	Change Jul: +0.04%		
<b>Average weeks unemployed</b>	Jul: 20.6	Change Jul: -0.1		
<b>% longterm unemployed</b>	Jul: 21.6%	Change Jul: -0.6%		
<b>Aggregate hours worked index</b>	Jul: 116.2	Change Jul: -0.3%	Revision Jun: unch	
<b>Average hourly earnings</b>	Jul: +0.23%	Change Jul: -0.09%	Revision Jun: +0.03%	
<b>Aggregate weekly earnings</b>	Jul: 194.9	Change Jul: unch	Revision Jun: +0.1	
<b>Monthly job-finding probability</b>	Jul: 29.3%	Change Jul: -0.2%		
<b>Monthly separation probability</b>	Jul: 1.7%	Change Jul: +0.1%		
<b>% involuntary part-time</b>	Jul: 2.8%	Change Jul: +0.2%		
<b>"Household" vs "Payroll" jobs</b>	Change Jul: -133			

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 Jul: +114	Revision Jun: -27	Revision May: -2	
<b>Non-farm payrolls NSA</b>	Change Jul: -915	Revision Jun: -29	Revision May: -3	
<b>Birth-death adjustment</b>	Adj for Jul: +246			
<b>Employment</b>	Change Jul: +67			
<b>Unemployment rate</b>	Jul: 4.25%	Change Jul: +0.20%		
<b>White employment</b>	Change Jul: -63			
<b>White unemployment rate</b>	Jul: 3.8%	Change Jul: 0.3%		
<b>Black employment</b>	Change Jul: +169			
<b>Black unemployment rate</b>	Jul: 6.3%	Change Jul: 0.0%		
<b>Hispanic employment</b>	Change Jul: -197			
<b>Hispanic unemployment rate</b>	Jul: 5.3%	Change Jul: 0.4%		
<b>Asian employment</b>	Change Jul: -17			
<b>Asian unemployment rate</b>	Jul: 3.7%	Change Jul: -0.4%		
<b>High school only employment</b>	Change Jul: +338			
<b>HS only unemployment rate</b>	Jul: 4.7%	Change Jul: 0.6%		
<b>Men employment</b>	Change Jul: -124			
<b>Men unemployment rate</b>	Jul: 4.4%	Change Jul: 0.3%		
<b>Women employment</b>	Change Jul: +192			
<b>Women unemployment rate</b>	Jul: 4.1%	Change Jul: 0.1%		

Source: Bureau of Labor Statistics, TrendMacro calculations

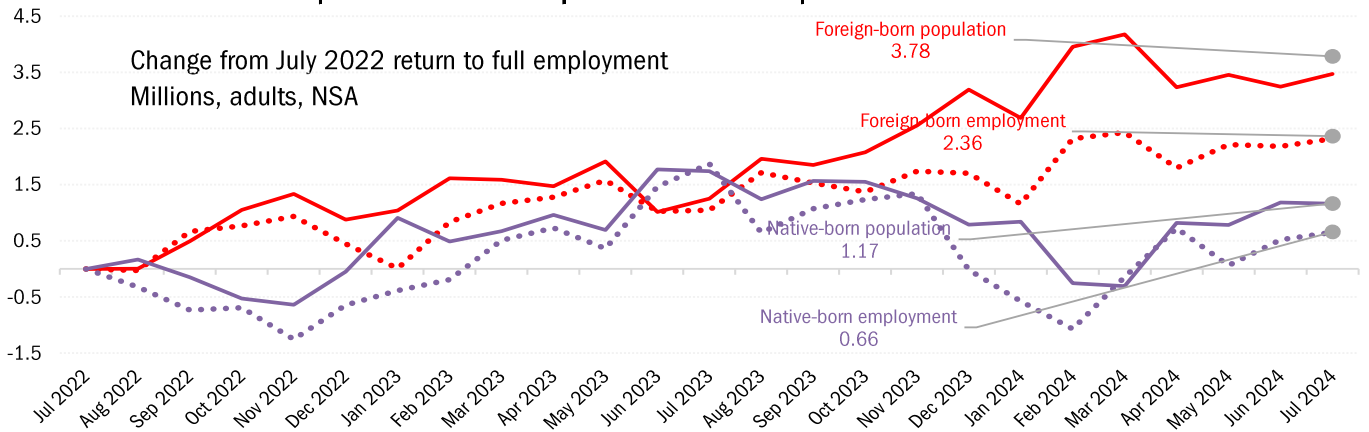
## TrendMacro Payroll Model based on contemporaneous labor market statistics

ADP Payrolls	ISM Manu Employ Index	ISM Services Employ Index	Change continuing claims	Initial claims	Challenger Layoffs	NFIB Hiring Plans	NFIB Employ
+122	43.4	46.1	+34	239	25,885	15	-5
Model estimate	Actual	Actual beat(+) or miss (-)					
+129	+114	-15					

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

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

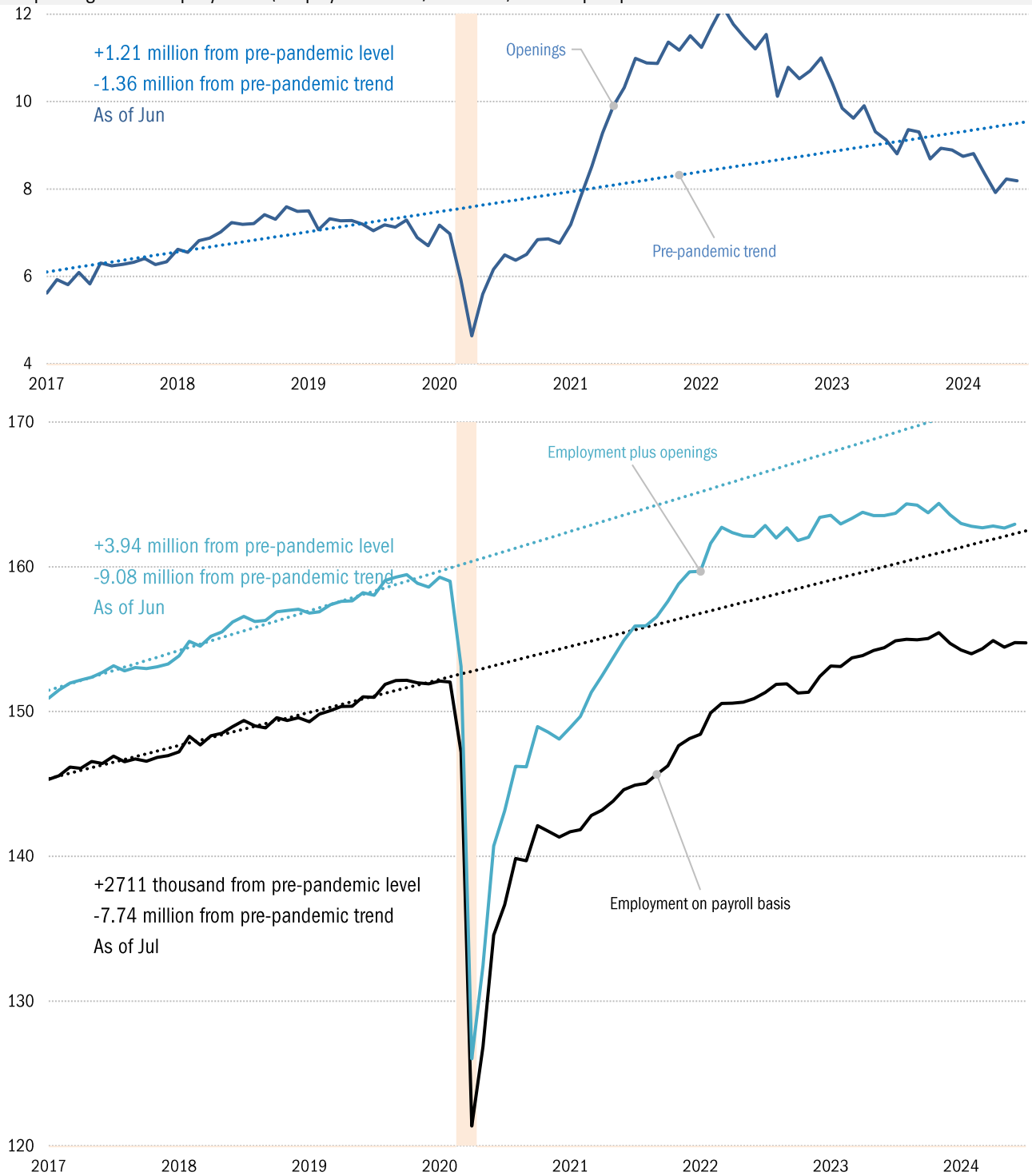
<b>Employment NSA</b>	Change Jul:	+264		
<b>Unemployment rate NSA</b>	Jul:	4.5%	Change Jul:	0.20%
<b>Adult population SA</b>	Change Jul:	+206		
<b>Foreign-born employment</b>	Change Jul:	+134		
<b>Foreign-born UE rate</b>	Jul:	4.7%	Change Jul:	0.5%
<b>Foreign-born population</b>	Change Jul:	+228		
<b>Foreign-born emp men</b>	Change Jul:	+121		
<b>Foreign-born UE rate men</b>	Jul:	3.8%	Change Jul:	-0.3%
<b>Foreign-born pop men</b>	Change Jul:	+15		
<b>Foreign-born emp women</b>	Change Jul:	+13		
<b>Foreign-born UE rate women</b>	Jul:	5.8%	Change Jul:	1.4%
<b>Foreign-born pop women</b>	Change Jul:	+213		
<b>Native-born employment</b>	Change Jul:	+131		
<b>Native-born UE rate</b>	Jul:	4.5%	Change Jul:	0.2%
<b>Native-born population</b>	Change Jul:	-22		
<b>Native-born emp men</b>	Change Jul:	+64		
<b>Native-born UE rate men</b>	Jul:	4.4%	Change Jul:	0.2%
<b>Native-born pop men</b>	Change Jul:	+85		
<b>Native-born emp women</b>	Change Jul:	+65		
<b>Native-born UE rate women</b>	Jul:	4.5%	Change Jul:	0.1%
<b>Native-born pop women</b>	Change Jul:	-107		



Source: Bureau of Labor Statistics, TrendMacro calculations

# Is the labor market tight or slack?

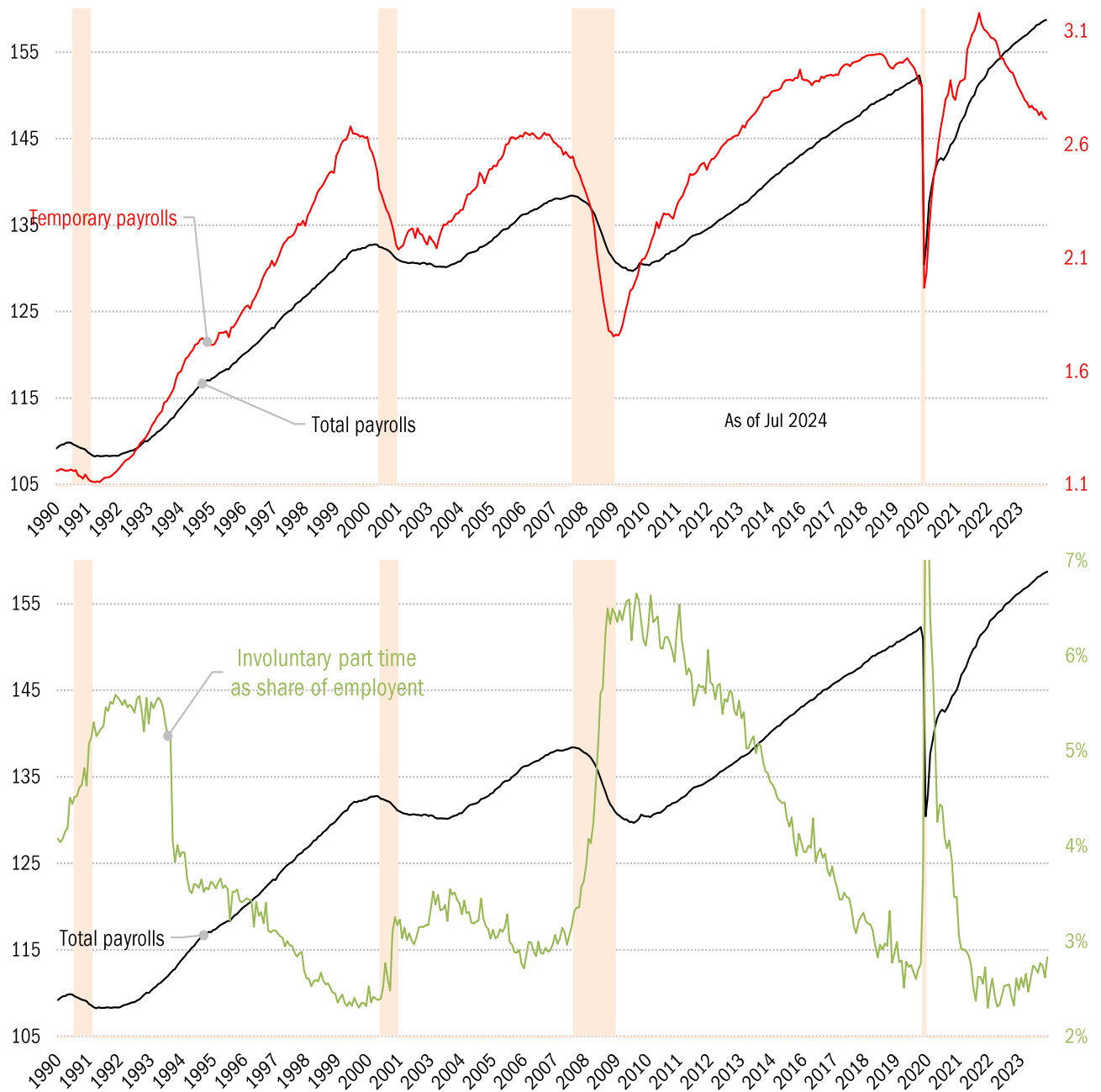
Job openings and employment (on payroll basis, millions) versus pre-pandemic trends ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

# Is the temporary jobs market warning us??

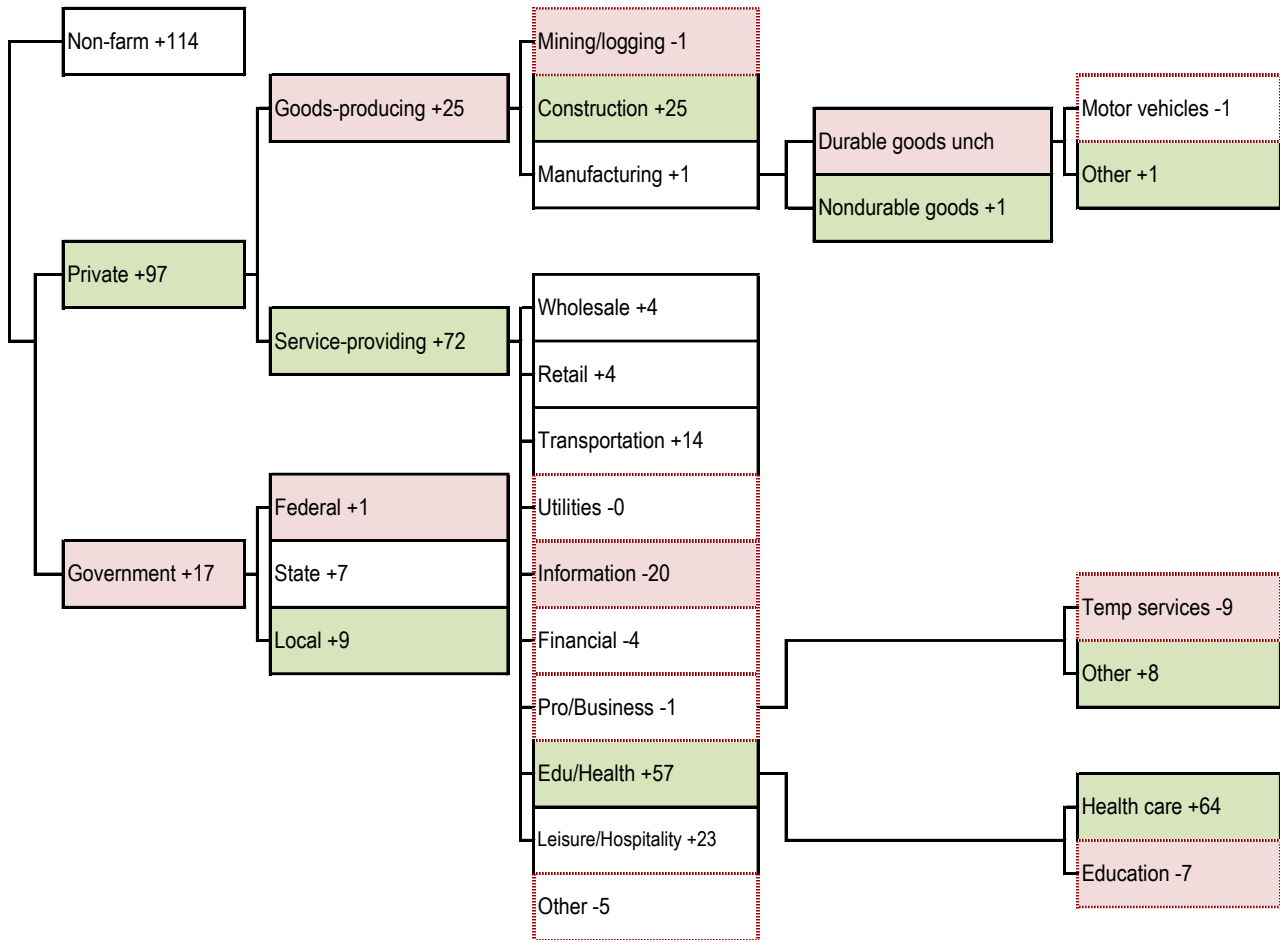
Regular and temporary payrolls (millions) and part-timers (share) ■ Recession



Source: BLS JOLTS, Current Population Survey, TrendMacro calculations

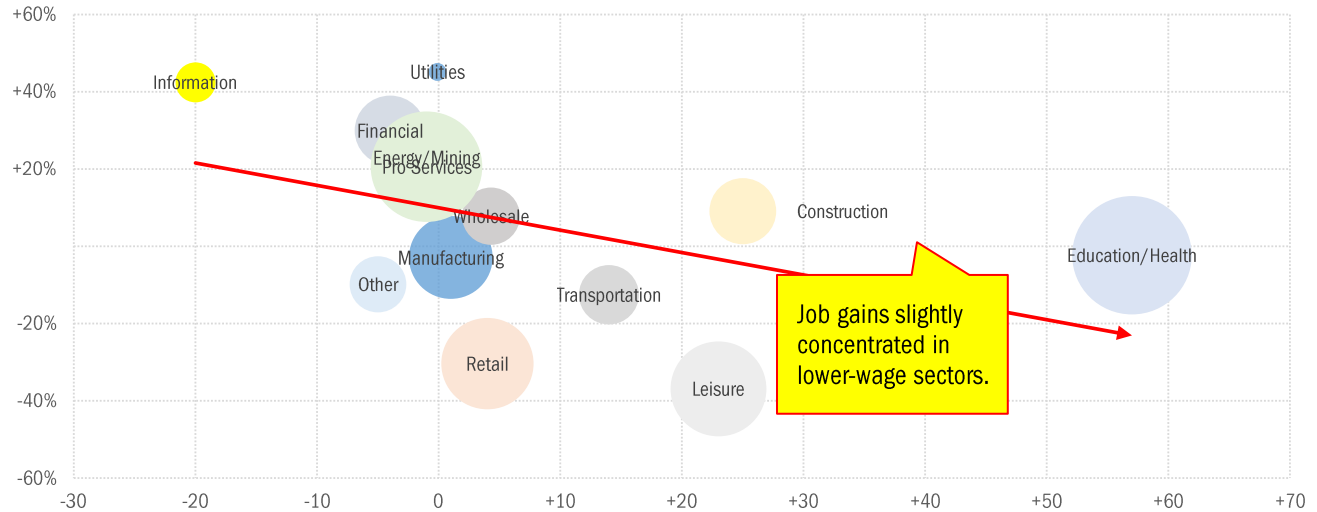
# Today's payroll data: what you need to know -- where did the jobs come from?

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



## Where is the pay coming from?

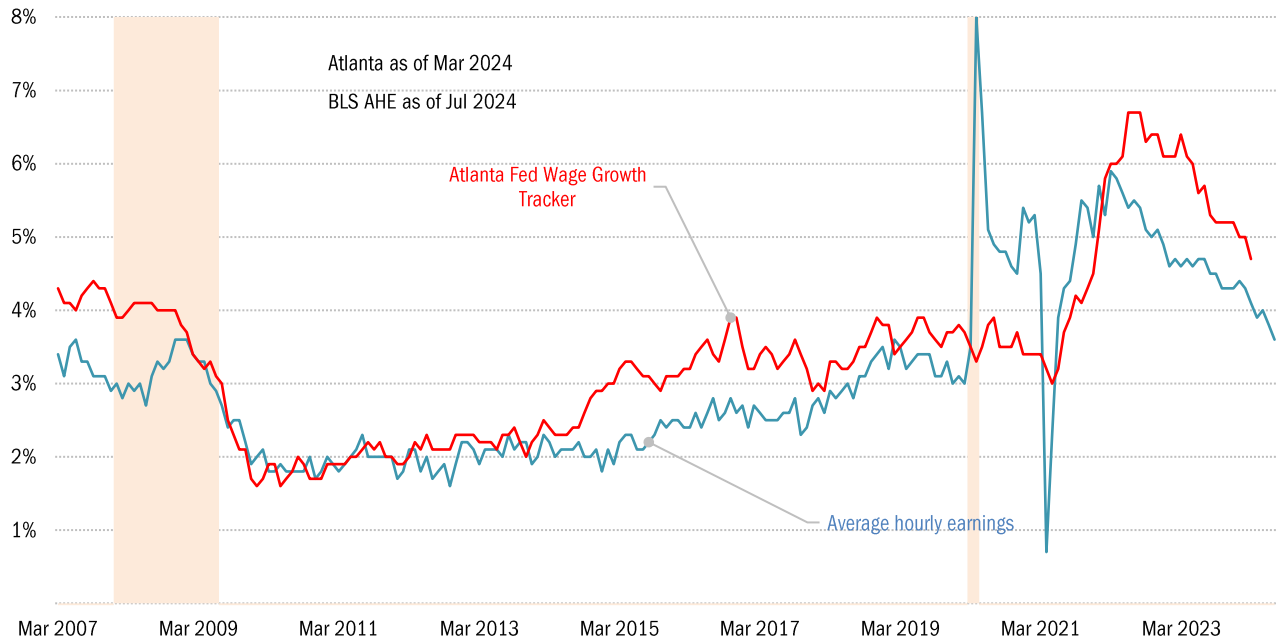
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

# Solving the wage-growth puzzle

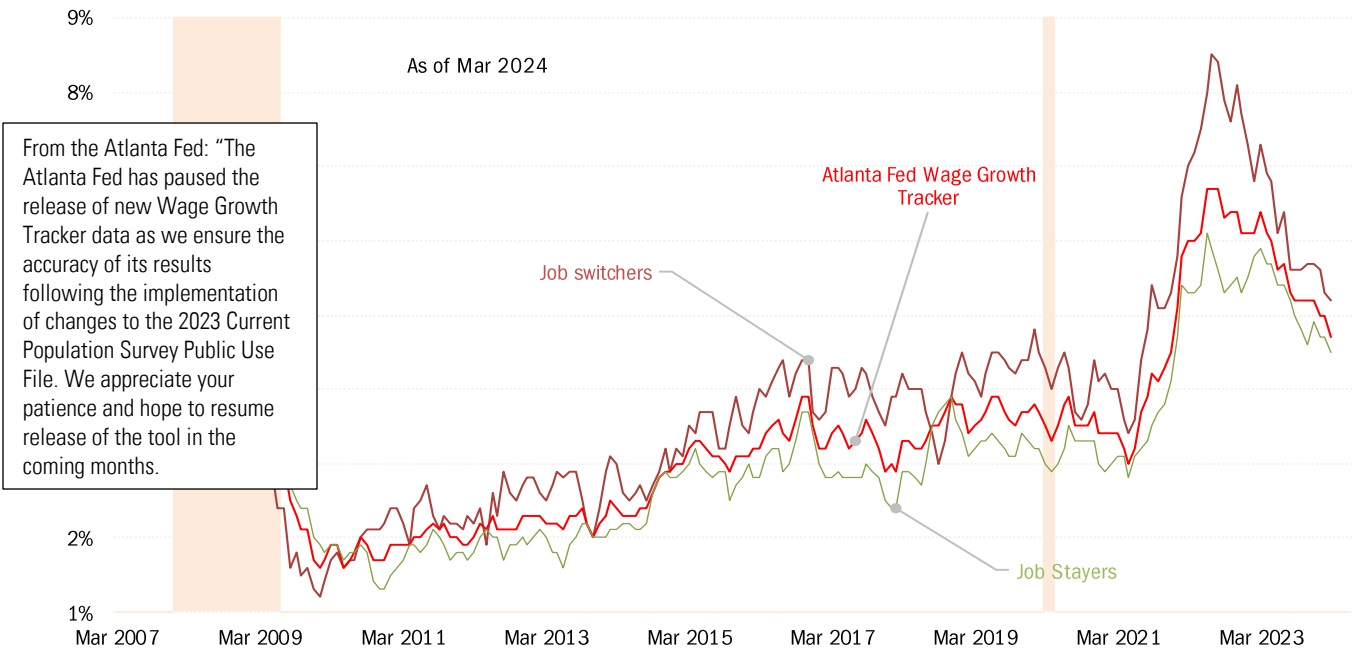
YOY average hourly earnings growth Atlanta Fed Wage Growth Index ■ Recession



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

# The wages of dynamism

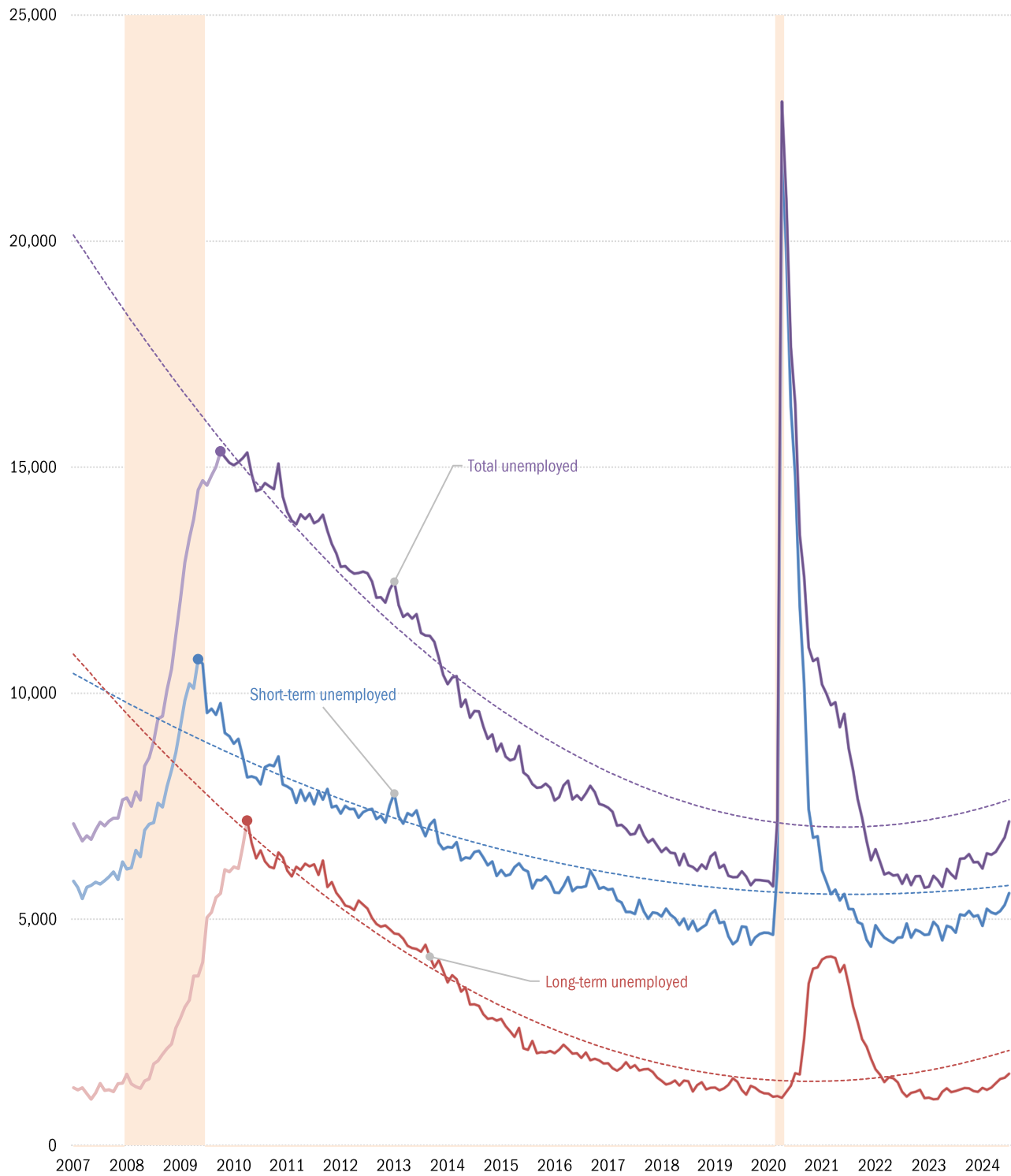
YOY wage growth for steady employees, versus those who change jobs ■ Recession



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

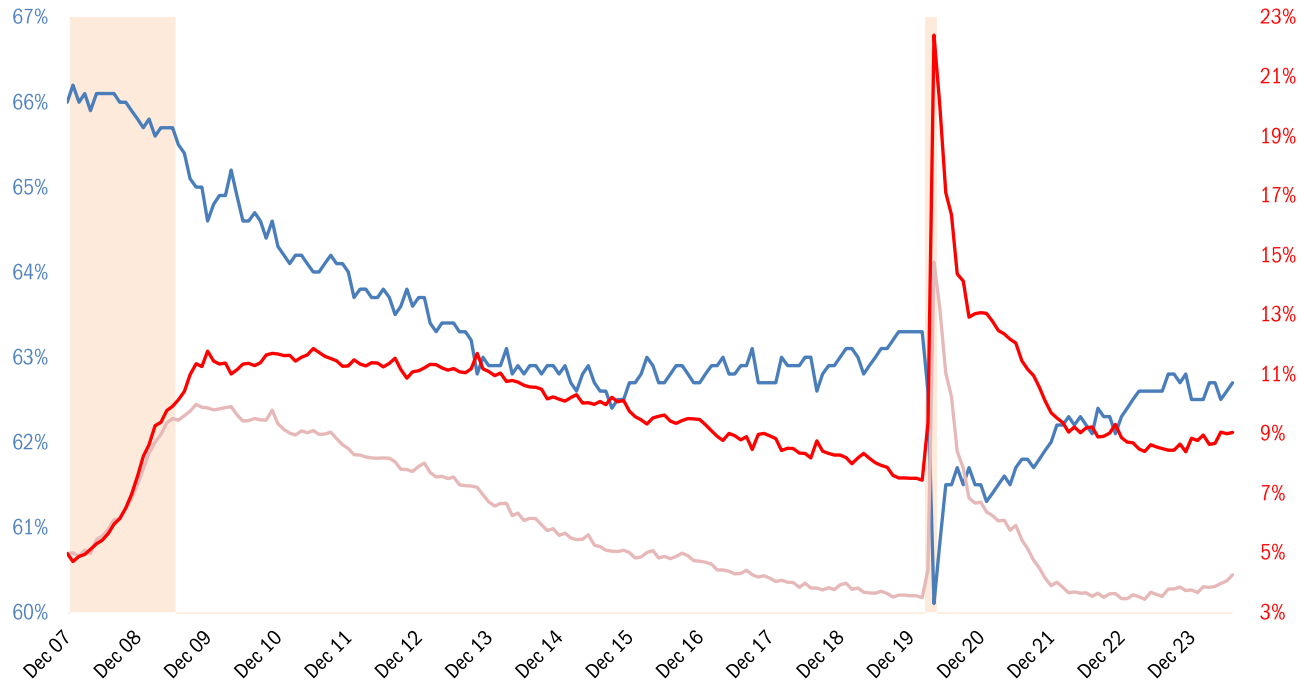


Source: BLS Current Population Survey, TrendMacro calculations



## Unemployment rate normalized for participation rate December 2007

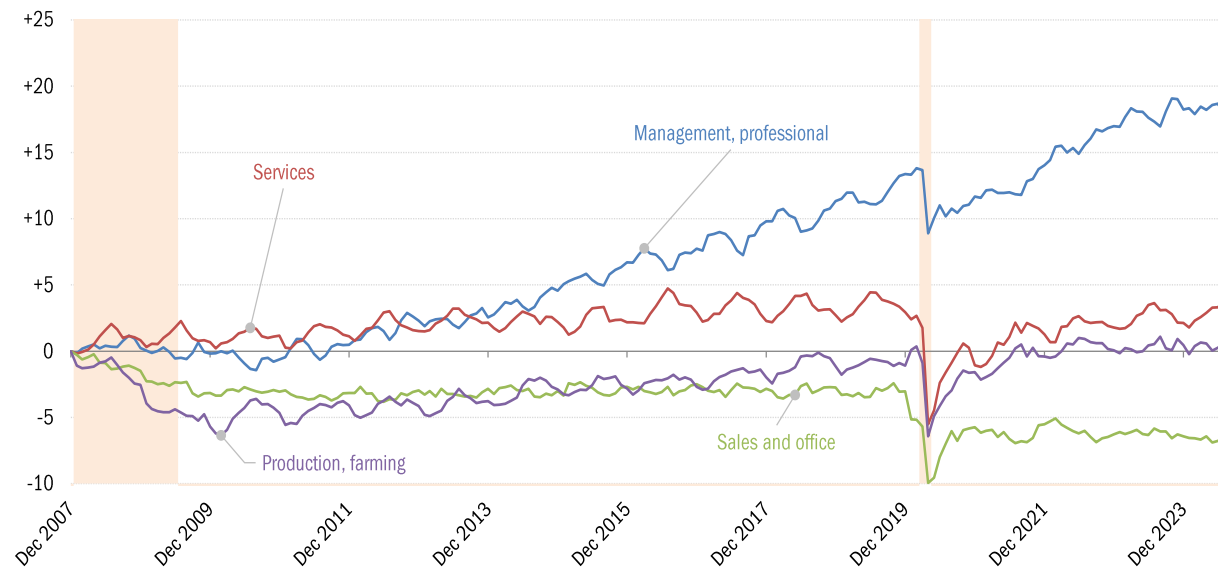
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

## Winner and losers in the long boom and the virus crisis

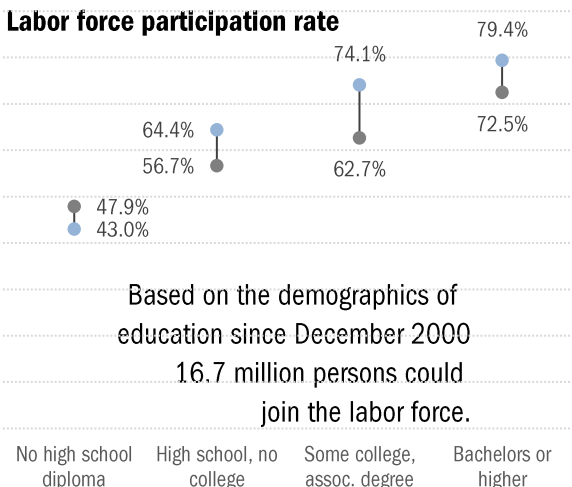
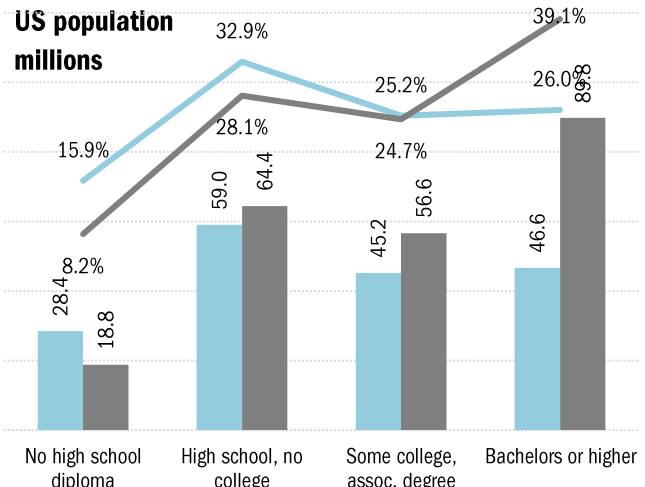
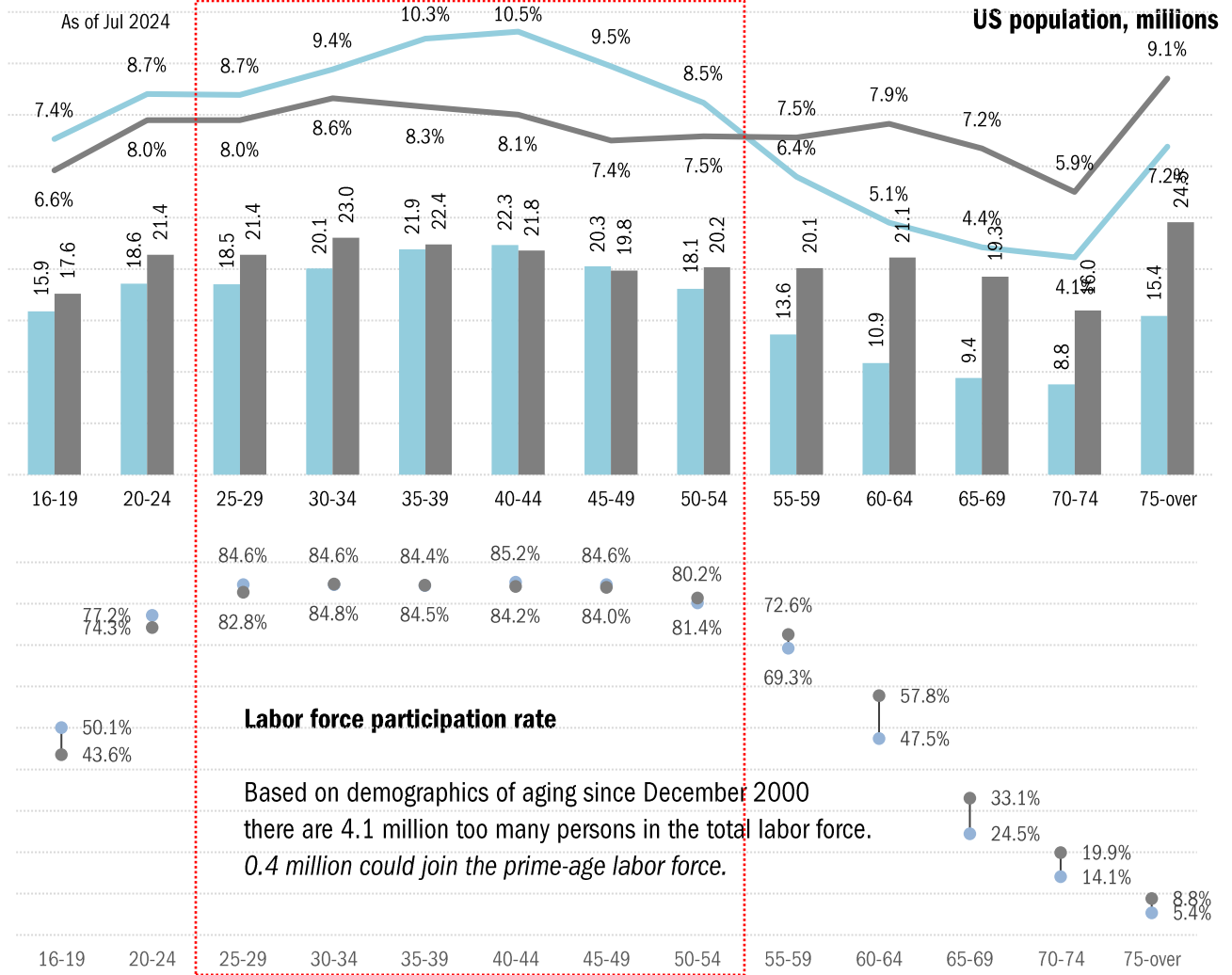
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

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

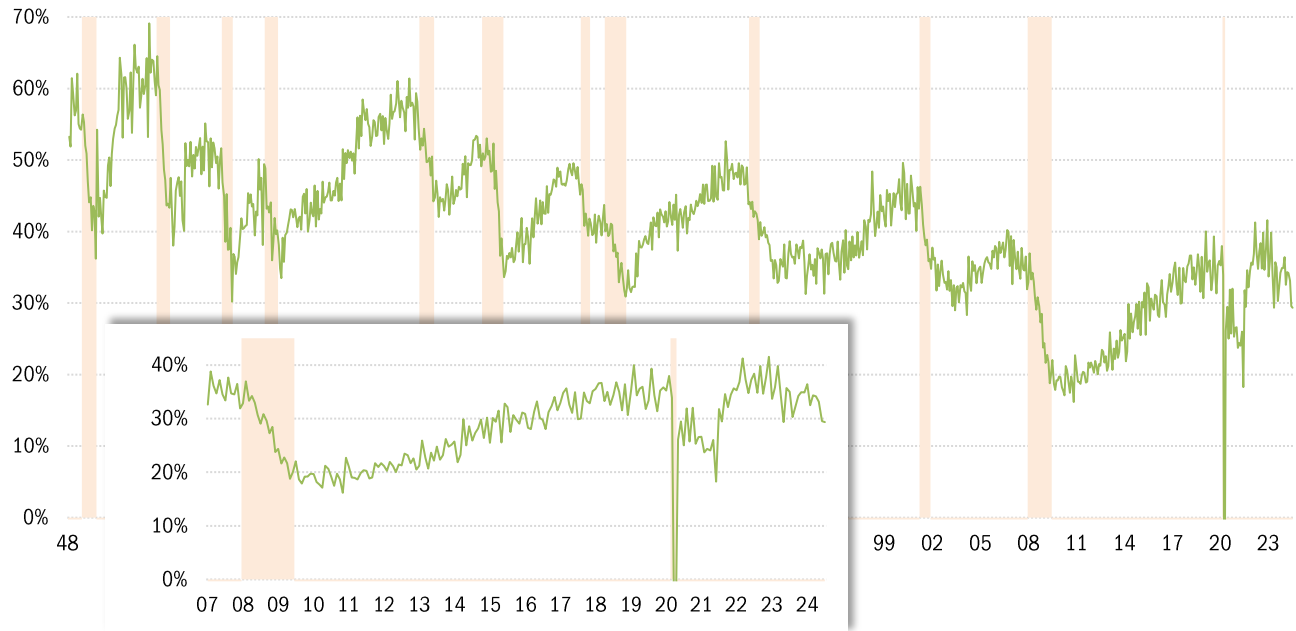
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

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

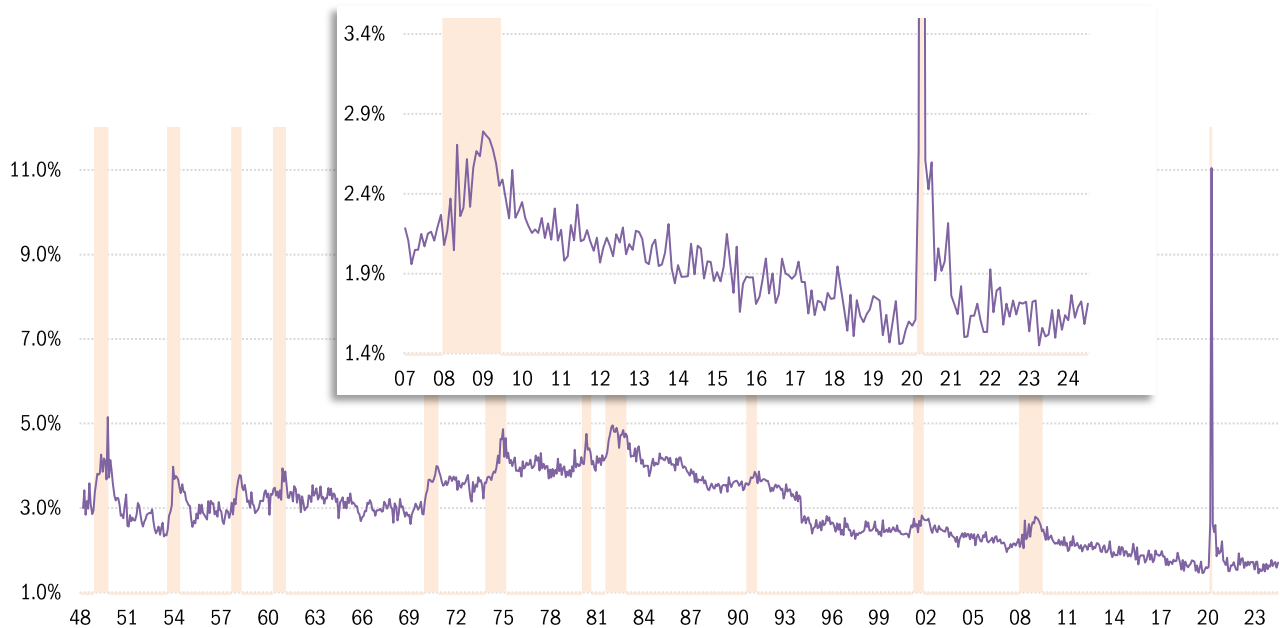
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

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

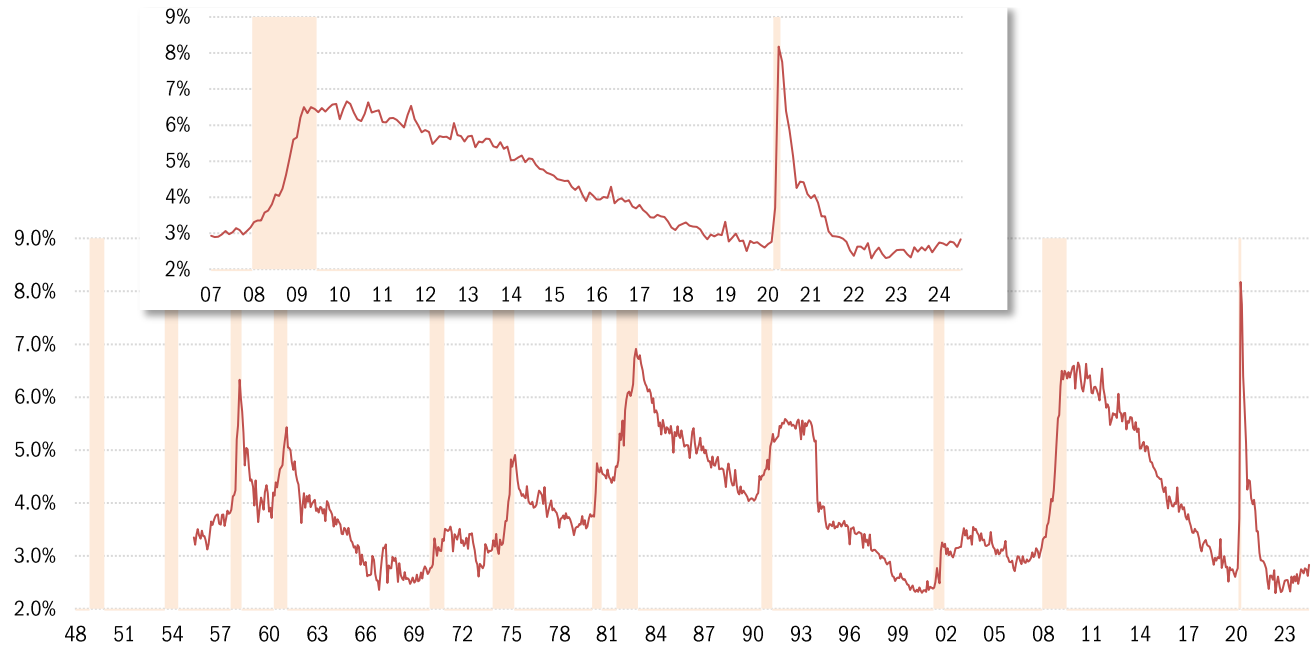
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

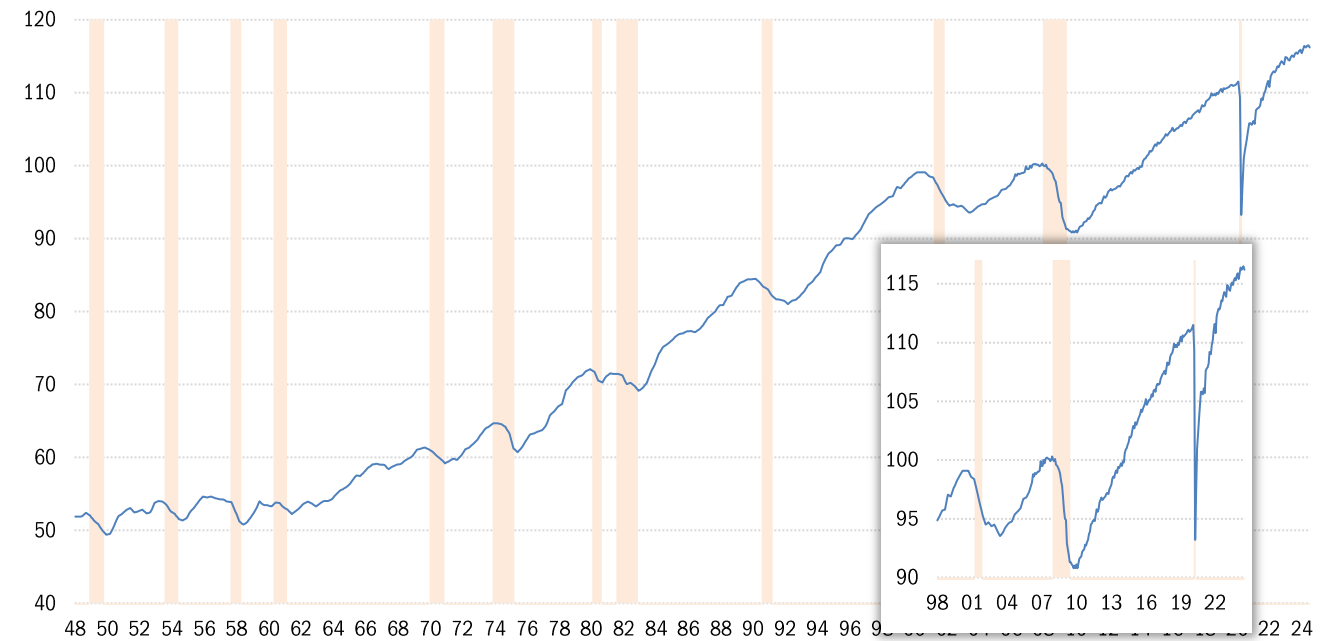
## Involuntary part-time workers as percentage of the employed labor force

Persons available for full-time work ■ Recession



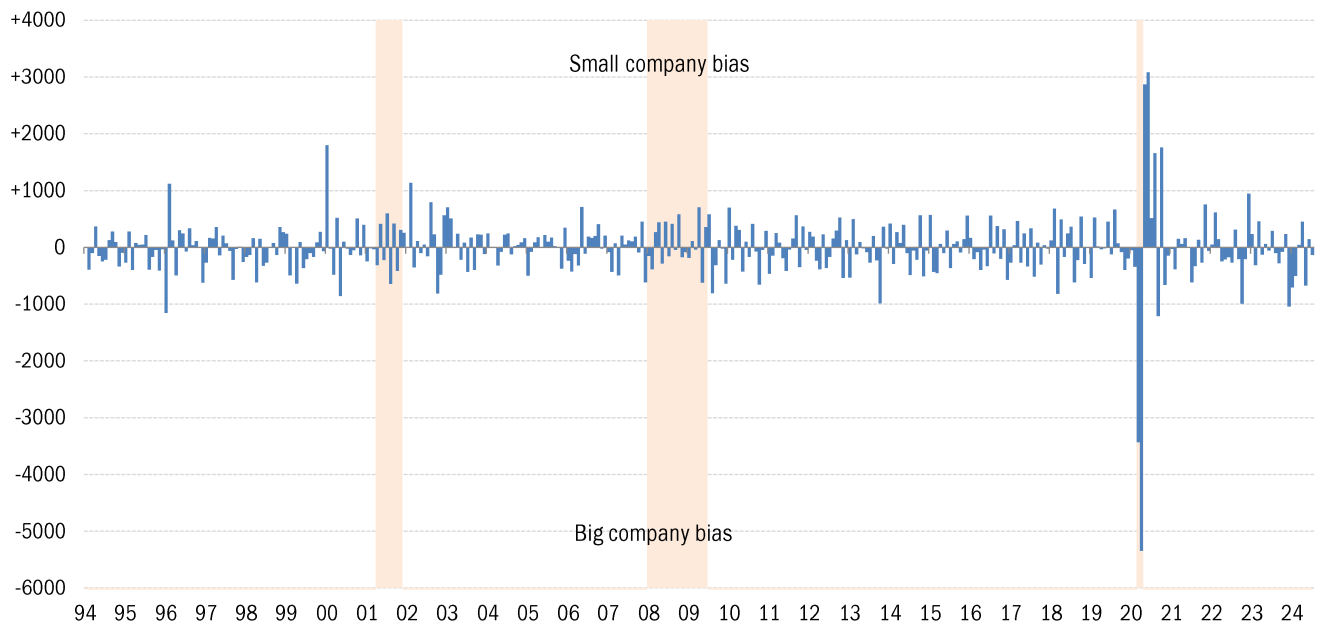
Source: BLS Current Population Survey, TrendMacro calculations

## Aggregate weekly private hours-worked index ■ Recession



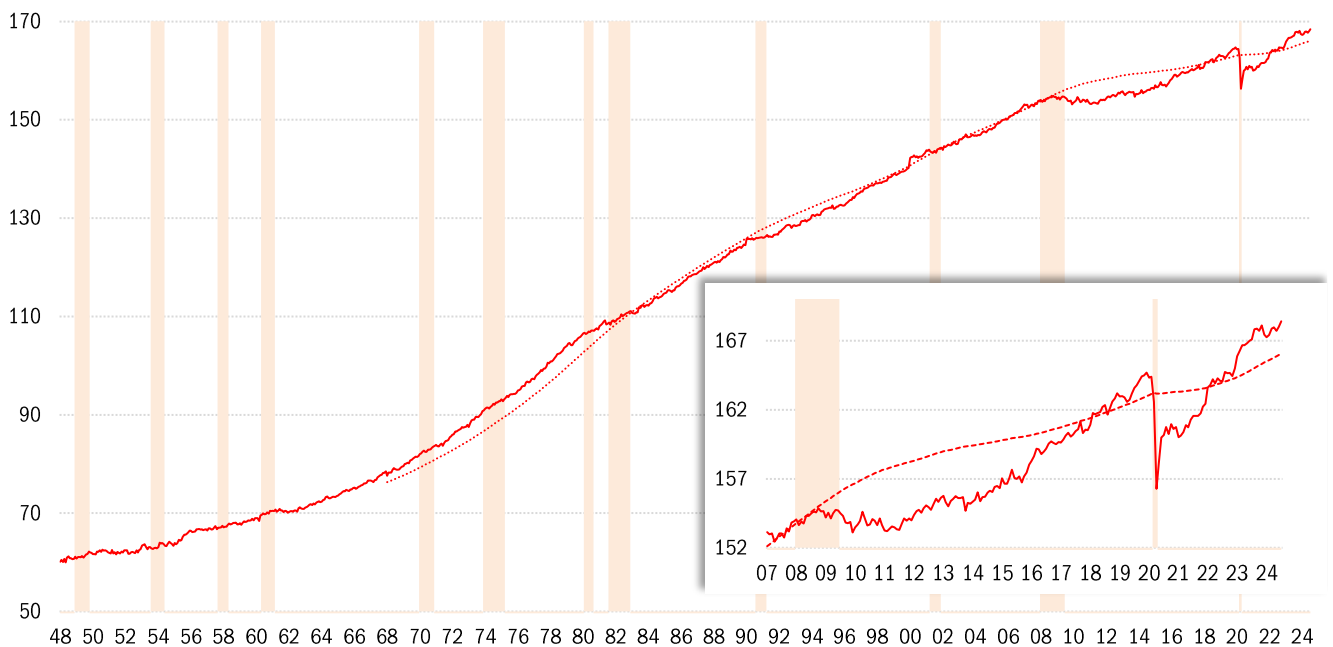
Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

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



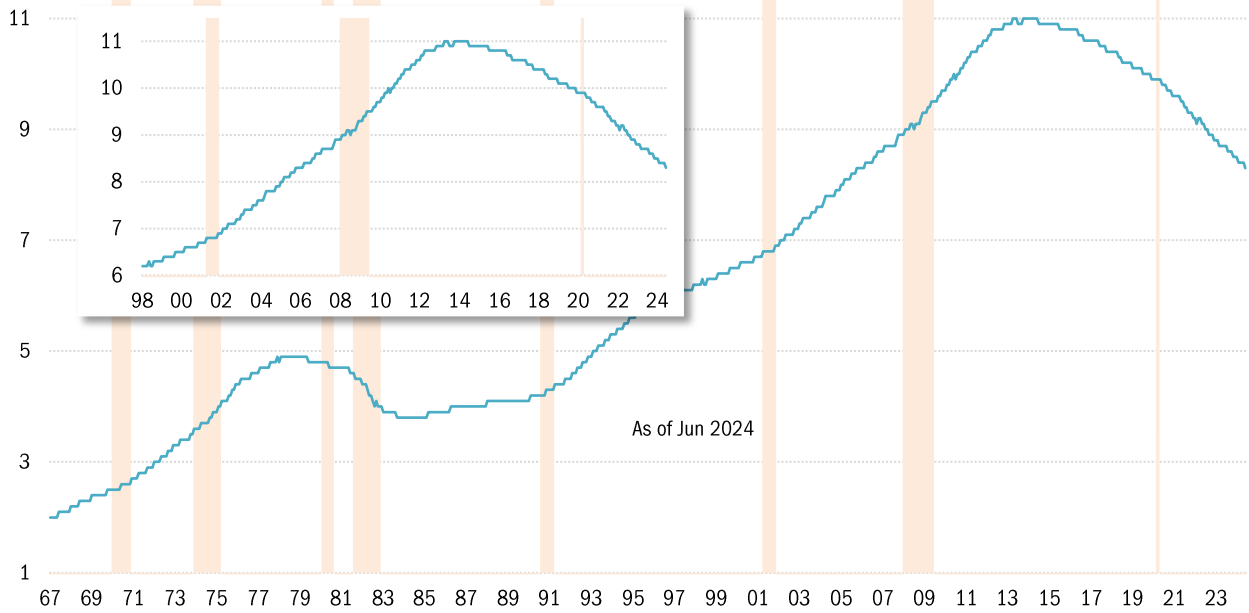
Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

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

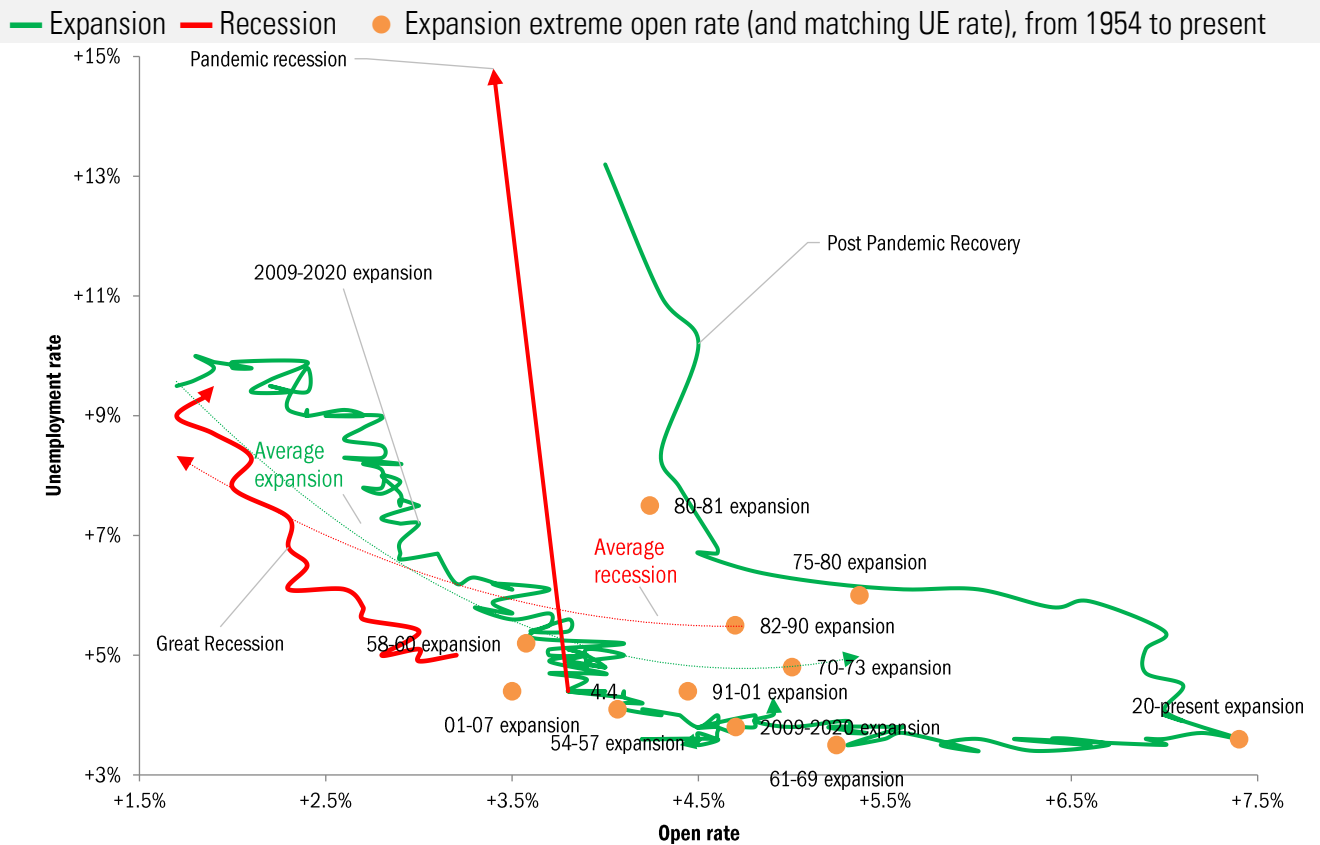


Source: BLS Current Population Survey, TrendMacro calculations

# 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