



Drivers of Premium	Feb	Mar	Apr	May	Jun	Jul	Aug
Net Employment Change (Thous.)	102	120	158	19	-13	79	22
Net Private Employment Change (Thous.)	107	114	133	69	-27	77	38
Average Hourly Earnings (y/y %)	3.9	3.9	3.8	3.8	3.7	3.9	3.7
Average Hours Worked (Hours)	34.2	34.3	34.3	34.3	34.2	34.2	34.2
Payroll (Calculated)* Growth (y/y %)	4.8	4.7	5.3	4.9	4.4	4.9	4.4

*Calculated Payroll = Total Private Employment x Average Hourly Earnings x Average Hours Worked

Drivers of Frequency	Feb	Mar	Apr	May	Jun	Jul	Aug
Unemployment Rate (%)	4.1	4.2	4.2	4.2	4.1	4.2	4.3
Labor Force Participation Rate (%)	62.4	62.5	62.6	62.4	62.3	62.2	62.3
Prime Age Participation Rate (25–54, %)	83.5	83.3	83.6	83.4	83.5	83.4	83.7
Job Openings (Thous.)	7,480	7,200	7,395	7,712	7,357	7,181	-
Hires Rate (%)	3.4	3.4	3.5	3.4	3.3	3.3	-
Quits Rate (%)	2.0	2.1	2.0	2.0	2.0	2.0	-
Layoffs Rate (%)	1.1	1.0	1.1	1.0	1.1	1.1	-

Source: US Bureau of Labor Statistics; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point

Averages

1-Year	3-Year	5-Year	2015–19
122	174	312	191
111	138	286	178
3.9	4.2	4.5	2.7
34.2	34.3	34.5	34.4
4.8	5.6	6.5	4.6

Averages

1-Year	3-Year	5-Year	2015–19
4.2	3.9	4.4	4.4
62.5	62.5	62.2	62.9
83.5	83.3	82.7	81.7
7,499	8,601	9,067	6,360
3.4	3.6	3.9	3.8
2.0	2.2	2.4	2.2
1.1	1.1	1.0	1.2

1 We saw another disappointing jobs report with employment growth of just 22,000 in August. Backward revisions of the previous two months reduced employment estimates by 21,000 on net, with June now seeing a decline.

At the industry level, health care and social assistance and leisure and hospitality services were bright spots, posting strong employment gains of around 47,000 and 28,000 respectively.

Offsetting these gains were declines in other industries; key among them were construction and manufacturing. Construction employment declined for the third straight month, erasing nearly half of its year-to-date gains. Meanwhile, manufacturing employment declined for the fourth straight month and is down nine out of the last 12 months. Manufacturing has lost 78,000 jobs from one year ago.

2 The unemployment rate rose for the second consecutive month as participation rose, and the rate of hiring continued to slow. New entrants and job seekers may be having a difficult time finding jobs and could continue to push the unemployment rate higher despite little change to the rate of layoffs. Notably, the unemployment rate for 16- to 24-year-olds was 10.5% in August compared to 3.6% for 25- to 54-year-olds.

Big Picture: While disappointing labor market data continues to stack up and we remain cautious on the outlook, we still believe that it is too early to call for a recession at this time. This string of data may in part reflect elevated economic uncertainty and may reverse with the possible easing of those conditions.