

U.S. Labor Economist: 2020 Economic Barometer: Non-farm payroll gains

Consensus forecast:

Non-farm payrolls, monthly gain, 4-month average,

As a U.S. labor economist, you must submit your first forecast on Tuesday, 2/11.

You may update your forecast, anytime, via email.

The forecast closest to correct, and presented the earliest, wins bragging rights.

In class, starting 2/12, you must be ready to speak about emerging developments that bear on the pace of U.S. job growth:

Was the news signal or noise?

Are reactions to news sensible or do you have a unique interpretation?

Did the news change your forecast?

On May 8th, a bit after our semester ends, BLS will issue its estimate of job gains for April of 2020. At that time, we will assess the accuracy of all forecasters.

[Note: we will give a partial cheer to the best forecaster of the three month average of job gains, Jan/Feb/Mar, on April 3rd.

Employment gains are closely tied to the overall growth of the economy.

Within the aggregate two sub-indices deserve careful analysis:

Construction employment gains reflect housing activity and weather!

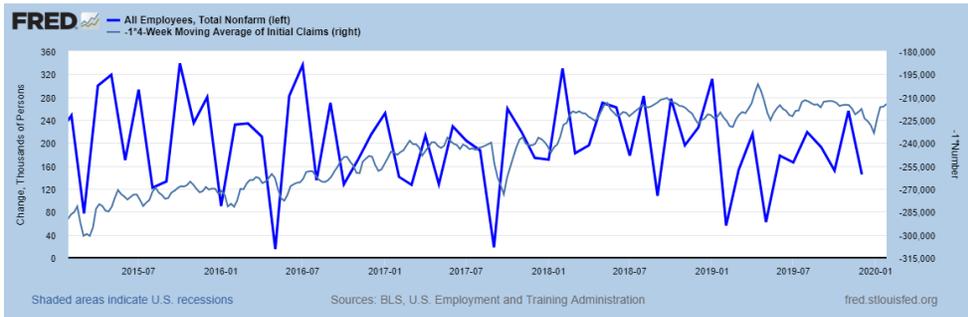
Manufacturing employment gains are tied to global growth

Initial unemployment claims are a key leading indicator of changes in the pace of employment growth.

Non-farm payroll gains have averaged as high as 227,000 and as low as 108,000:

The jobless rate, over the period has irregularly fallen:

	Q1:2018	Q2:2018	Q3:2018	Q4:2018	Q1:2019	Q2:2019	Q3:2019	Q4:2019
non-farm payroll gains, mo. Avg.	182	262	108	227	153	178	193	145
unemployment rate, end of qtr.	4.0%	4.0%	3.7%	3.9%	3.8%	3.7%	3.5%	3.5%
percentage point change in U3	-0.1	0.00%	-0.30%	0.20%	-0.10%	-0.10%	-0.20%	0.00%



Real GDP versus Labor Hours Worked (YOY, percent change, quarterly data)

