



Source: US Bureau of Labor Statistics

Note: Data is in thousands

The national economy exceeded consensus expectations (190,000 jobs), adding 263,000 jobs in April. Professional and business services (76,000 jobs) was the leading employment sector in the recent release. Education and health services continued its robust growth, adding 62,000 positions. Manufacturing, which added no jobs in March, added only 4,000 positions in April. The PMI fell from 55.3% in March to 52.8% in April. Construction employment added 33,000 workers in April and continues to increase after the sector faltered in February. The US economy averaged employment growth of 223,000 jobs per month in 2018 and continues to expand in the recent release. The economy is in the mature stage of the business cycle but there still seems to be room to run. We expect employment growth to moderate in the coming year, with gains around 170,000 jobs per month.

US Labor Market Snapshot (April 2019)											
Variable	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 Avg.	Difference from 2007
Population (Civilian, Non-Inst.)	237,829	239,618	243,284	245,679	247,947	250,801	253,538	255,079	257,791	258,465	11.5%
Total Employment	130,354	131,939	134,174	136,374	138,941	141,826	144,348	146,611	149,064	150,789	9.3%
Full-Time Employment	111,712	112,567	114,821	116,322	118,725	121,496	123,761	125,965	128,568	129,936	7.3%
Part-Time Employment	27,349	27,314	27,661	27,620	27,593	27,341	27,678	27,372	27,185	26,871	7.7%
Unemployment Rate	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	-3.8%	-80 bps
Underutilization Rate	16.7%	15.9%	14.7%	13.8%	12.0%	10.5%	9.6%	8.5%	7.7%	-7.5%	-80 bps
Employment/Population Ratio	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%	59.7%	60.1%	60.4%	-60.7%	-230 bps
Labor Force Participation Rate	64.7%	64.1%	63.7%	63.3%	62.9%	62.7%	62.8%	62.9%	62.9%	-63.1%	-290 bps
Not in Labor Force	83,945	85,994	88,311	90,282	92,026	93,661	94,341	94,766	95,721	95,505	21.3%

Source: US Bureau of Labor Statistics

Note: Population, employment, and "Not in Labor Force" data are in thousands.

The US labor market produced strong employment growth and mostly positive labor statistics. The April unemployment fell to 3.6%. Total employment is now 9.3% above the trough from the last recession. Part-time employment declined while full-time employment rose in April. It is a positive sign when full-time employment expands (even if part-time employment is contracting) as it means that job seekers are able to find the full-time positions that they are looking for. The only downside of this release is that employment growth is still hampered by a lack of workers. Notably, persons not in the labor force grew for the third consecutive month in April. Also, the labor force participation rate remains well below the 2007 annual average. Expect the gap between this year's labor force participation rate and the 2007 annual value to reach more than 300 bps as the labor market becomes less robust.