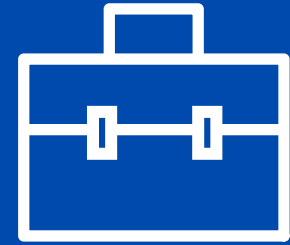


TCA Monthly Employment Snapshot

February 2021 Report

March 5, 2021



Top Expanding Sectors

- Leisure and Hosp: 355k
- Professional and Bus: 63k
- Trans, Trade, and Ware: 49k
- Education and Health: 44k
- Manufacturing: 21k

Consumer Sentiment

79.0 (-170 bps)

January's figure is marginally less than the 2020 average of 81.5.

PMI

60.8% (+210 bps)

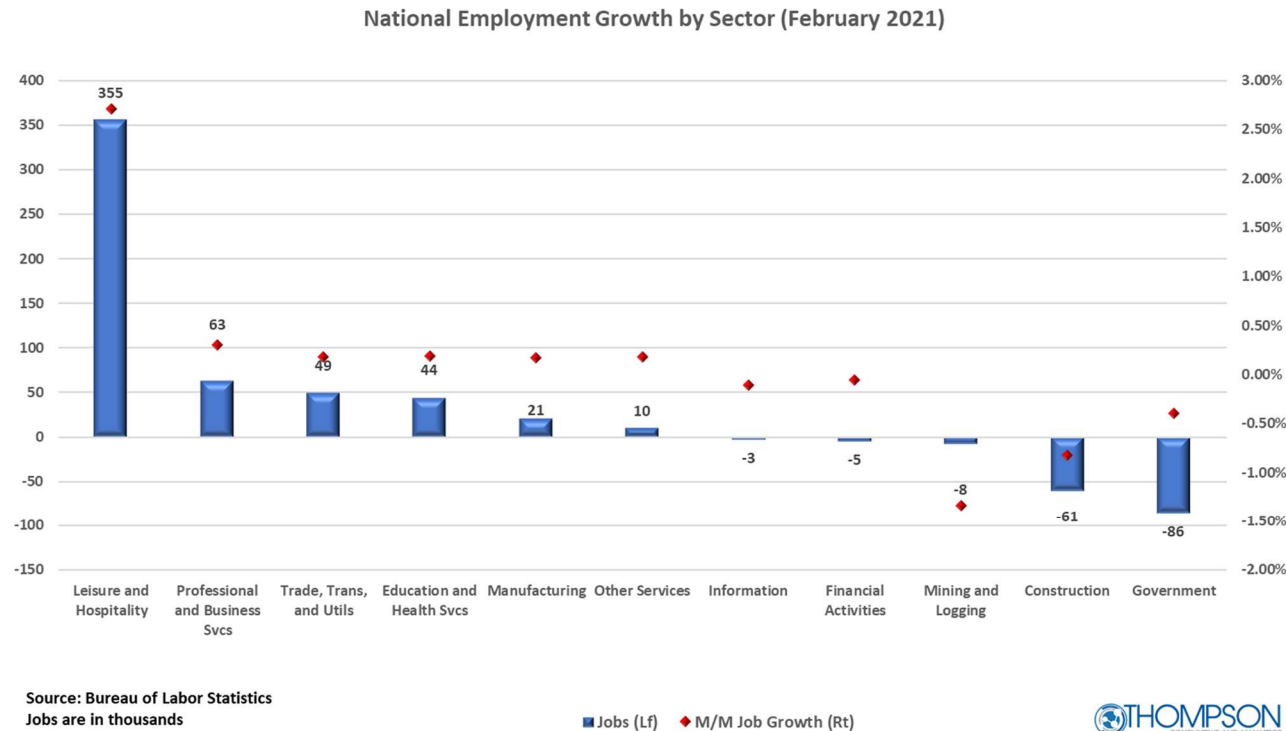
Respondents are optimistic despite challenges from absenteeism and supply chain challenges.



Economic Highlights

- Total employment growth averaged -778k/month in 2020
- Food services and drinking places recorded 286k job growth.
- 2021 Forecast: 275,000 jobs/month

Sources: Bureau of Labor Statistics
Institute of Supply Management
University of Michigan



The US labor market exploded beyond expectations (220,000 jobs) with an increase of 379,000 workers in February. However, job growth was uneven as 5 out of 11 employment sectors recorded negative employment growth. Leisure and hospitality (355,000 workers) was the largest-gaining sector. The food service and drinking places category accounted for 285,900 jobs of the total increase for the sector. On the other side of the spectrum, government employment fell by 86,000 workers, with local and federal sectors seeing a contraction. Manufacturing rebounded from its dip in January and posted an increase of 21,000 workers in February. February's PMI registered at 60.8% (up 210 bps month-over-month). PMI survey respondents say that they are positive about their outlook despite increased absenteeism and supply chain issues. The US economy averaged employment growth of -778,000 jobs in 2020. We expect employment growth to average 275,000 workers per month in 2021.

US Labor Market Snapshot (February 2021)												
Variable	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	2021 YTD	Difference from Jan '20
Population (Civilian, Non-Inst.)	259,758	259,896	260,047	260,204	260,373	260,558	260,742	260,925	261,085	261,230	260,885	0.5%
Total Employment	150,840	130,161	132,994	137,840	139,566	141,149	141,865	142,545	142,809	142,503	142,859	-6.2%
Full-Time Employment	129,059	114,325	116,545	119,262	119,962	122,461	122,569	123,646	124,292	124,689	124,929	-4.4%
Part-Time Employment	26,564	19,117	20,819	23,125	23,941	24,896	25,067	26,139	25,373	24,917	24,868	-9.7%
Unemployment Rate	4.4%	14.8%	13.3%	11.1%	10.2%	8.4%	7.8%	6.9%	6.7%	6.7%	6.3%	280 bps
Underutilization Rate	8.8%	22.9%	21.2%	18.0%	16.5%	14.2%	12.8%	12.1%	12.0%	11.7%	11.1%	420 bps
Employment/Population Ratio	59.9%	51.3%	52.8%	54.6%	55.2%	56.5%	56.6%	57.4%	57.4%	57.4%	57.6%	-350 bps
Labor Force Participation Rate	62.6%	60.2%	60.8%	61.4%	61.5%	61.7%	61.4%	61.6%	61.5%	61.5%	61.4%	-200 bps
Not in Labor Force	97,037	103,418	101,847	100,407	100,288	99,740	100,664	100,207	100,548	100,663	100,699	5.9%

Source: US Bureau of Labor Statistics

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

The US labor market data relatively unchanged from the previous month. The unemployment rate dipped by -10 bps in February. However, the labor force participation rate and the underutilization rate both remained unchanged. Individuals not in the labor force rose slightly (18,000 people) versus the previous month. These individuals are not counted in the unemployment rate. While the recent employment growth number was robust, our expectation is a more muted growth going forward. We also expect the labor force participation rate to gain consistent positive traction in Q2.