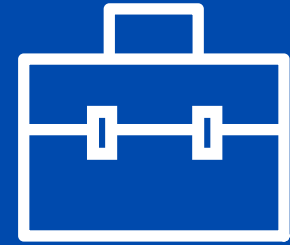


TCA Monthly Employment Snapshot

June 2022 Report

July 8, 2022



Top Expanding Sectors

- Education & Health: 96k
- Professional & Bus: 74k
- Trade, Trans, & Util: 68k
- Leisure & Hosp: 67k
- Manufacturing: 29k

Consumer Sentiment

58.4 (-680 bps)

May's data point is the lowest figure since August 2011.

PMI

53.0% (-310 bps)

Respondents indicate that while there is a backlog, incoming orders are starting to moderate in June data.

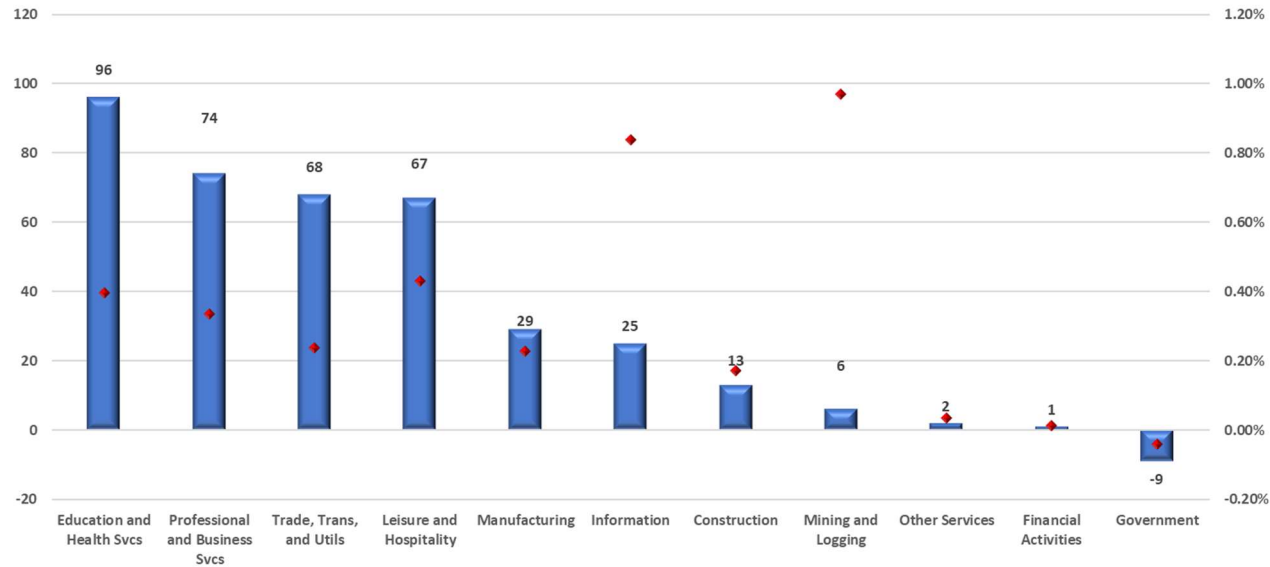


Economic Highlights

- June employment growth was above expectations (250k).
- Education and health services grew by 96,000 jobs.
- The Consumer Price Index rose by 8.6% Y/Y.
- 2022 Forecast: 330,000 jobs/month.

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

National Employment Growth by Sector (June 2022)



Source: Bureau of Labor Statistics
Jobs are in thousands

■ Jobs (Lf) ♦ M/M Job Growth (Rt)



US employment growth (372,000 jobs) came in above expectations of 250,000 jobs in June 2022. Growth was broad-based with only the government sector recording an employment decline. Education and health services (96,000 workers) was the largest-gaining sector. Healthcare and social assistance accounted for 77,800 of the sector's gains. Professional and business services grew by 74,000 positions in the June data release. Manufacturing added 29,000 workers in June and has recorded positive employment growth for the fourteenth consecutive month. Nondurables (18,000 jobs) was the dominant subcategory in the recent report. The June PMI registered at 53.0% (down 310 bps month-over-month). Respondents indicate that while there is a backlog, incoming orders are starting to moderate. The US economy averaged employment growth of 562,000 in 2021. We expect US employment growth to average 330,000 jobs in 2022.

US Labor Market Snapshot (June 2022)												
Variable	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	2022 YTD	Difference from Jan '20
Population (Civilian, Non-Inst.)	261,003	261,103	261,210	261,338	261,469	261,611	261,766	261,908	262,029	262,136	263,507	1.5%
Total Employment	144,431	144,694	145,141	145,698	146,387	146,904	147,328	148,005	148,652	149,162	150,978	-0.8%
Full-Time Employment	125,959	126,279	126,514	126,211	127,473	127,340	128,076	128,409	129,388	130,191	132,201	1.0%
Part-Time Employment	25,158	25,046	25,189	25,488	25,310	25,739	25,772	25,903	25,956	25,681	25,803	-6.4%
Unemployment Rate	6.0%	6.0%	5.8%	5.9%	5.4%	5.2%	4.7%	4.6%	4.2%	3.9%	3.7%	20 bps
Underutilization Rate	10.7%	10.3%	10.1%	9.8%	9.2%	8.8%	8.5%	8.2%	7.7%	7.3%	7.0%	10 bps
Employment/Population Ratio	57.8%	57.9%	58.0%	58.0%	58.4%	58.5%	58.8%	58.9%	59.3%	59.5%	60.0%	-110 bps
Labor Force Participation Rate	61.5%	61.7%	61.6%	61.6%	61.7%	61.7%	61.7%	61.7%	61.9%	61.9%	62.3%	-110 bps
Not in Labor Force	100,372	100,125	100,409	100,224	100,094	100,106	100,294	100,298	99,902	99,842	99,419	4.6%

Source: US Bureau of Labor Statistics

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

The US labor market remained tight in the June report. The unemployment rate stayed at 3.6% for the fourth consecutive month in June. However, the labor force participation rate fell by 10 bps in the recent report. Also, persons not in the labor force rose by 510,000 people. Unit labor costs rose by 11.6% in 2022Q1. Additionally, the Consumer Price Index rose by 8.6% in May data. We expect that elevated fuel and labor costs will provide headwinds to consumer spending and economic growth. We also expect muted employment growth in the second half of 2022.