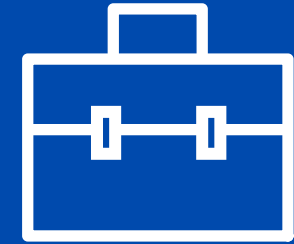


TCA Monthly Employment Snapshot

October 2021 Report

November 5, 2021



Top Expanding Sectors

- Leisure and Hosp: 164k
- Trade, Trans, & Util: 104K
- Professional & Bus: 100k
- Education & Health: 64k
- Manufacturing: 60k

Consumer Sentiment

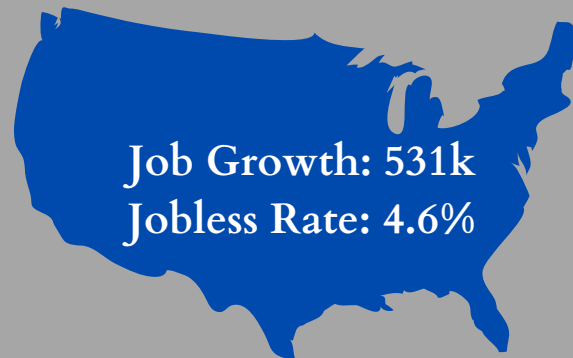
72.8 (250 bps)

September's number is a rebound from the lowestst figure since December 2011.

PMI

60.8% (-30 bps)

Respondents report strong demand but constraints from supply chains and labor shortages.

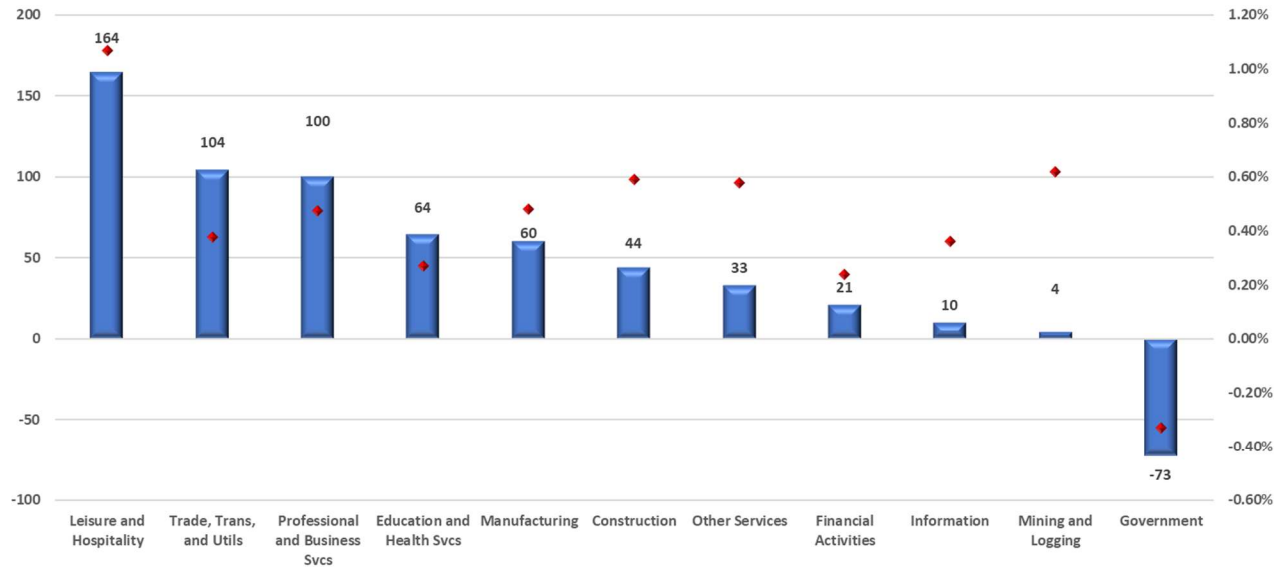


Job Growth: 531k
Jobless Rate: 4.6%

Economic Highlights

- October employment growth was above expectations (450k).
- Accommodations and food service compensation rose 12.5% y/y
- 2021 Forecast: 575,000 jobs/month

National Employment Growth by Sector (Oct 2021)



Source: Bureau of Labor Statistics
Jobs are in thousands

■ Jobs (Lf) ◆ M/M Job Growth (Rt)



US employment growth (531,000 jobs) rebounded and surged past expectations (450,000 jobs) in the October employment release. This was a strong report given the fact that employment growth missed expectations in the two previous months. Leisure and hospitality (164,000 workers) was the largest-gaining sector in the recent release. Interestingly, accommodation and food service, which grew by 142,600 workers, has seen 12.5% year-over-year compensation growth. Trade, transportation, and utilities was the second-highest gainer in the October release. Manufacturing added 60,000 workers in October and has added 298,000 workers in 2021. The October PMI registered at 60.8% (down 30 bps month-over-month). Respondents cite lingering supply chain issues and labor shortages, but demand is remaining strong. The US economy averaged employment growth of -778,000 jobs in 2020. We expect employment growth to average 575,000 workers per month in 2021.

US Labor Market Snapshot (October 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	261,318	0.7%
Total Employment	150,840	130,161	132,994	137,840	139,566	141,149	141,865	142,545	142,809	142,503	145,581	-4.4%
Full-Time Employment	129,059	114,325	116,545	119,262	119,962	122,461	122,569	123,646	124,292	124,689	126,564	-3.2%
Part-Time Employment	26,564	19,117	20,819	23,125	23,941	24,896	25,067	26,139	25,373	24,917	25,345	-8.0%
Unemployment Rate	4.4%	14.8%	13.3%	11.1%	10.2%	8.4%	7.8%	6.9%	6.7%	6.7%	5.6%	210 bps
Underutilization Rate	8.8%	22.9%	21.2%	18.0%	16.5%	14.2%	12.8%	12.1%	12.0%	11.7%	9.8%	290 bps
Employment/Population Ratio	59.9%	51.3%	52.8%	54.6%	55.2%	56.5%	56.6%	57.4%	57.4%	57.4%	58.1%	-300 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%	61.6%	-180 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	100,355	5.6%

Source: US Bureau of Labor Statistics

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

The US labor market displayed mostly positive signs in the recent report. Job growth rebounded to reach 531,000 workers and the unemployment rate fell by 20 bps in October. People not in the labor force ticked up a little but the reduction in the unemployment rate was mostly driven by the rebounding employment growth figure. Both part-time and full-time employment grew in the recent report. Despite the strong employment report, we are cautiously-optimistic about the labor market going forward. We feel that strong wage growth in some of the lower-wage employment sectors will help to attract jobseekers. However, we expect the labor shortage to remain an issue well into 2022.