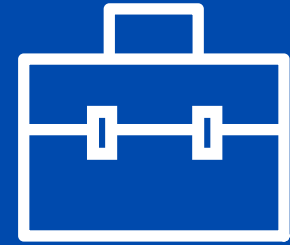


# TCA Monthly Employment Snapshot

## November 2021 Report

November 3, 2021



### Top Expanding Sectors

- Professional & Bus: 90k
- Trade, Trans, & Util: 37K
- Manufacturing: 31k
- Construction: 31k
- Leisure & Hosp: 23k

### Consumer Sentiment

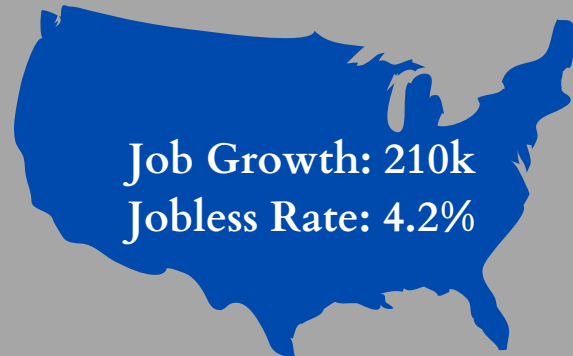
71.7 (-110 bps)

October's number is the second-lowest figure this year.

### PMI

61.1% (+30 bps)

Respondents report a slight easing of delivery and labor issues.

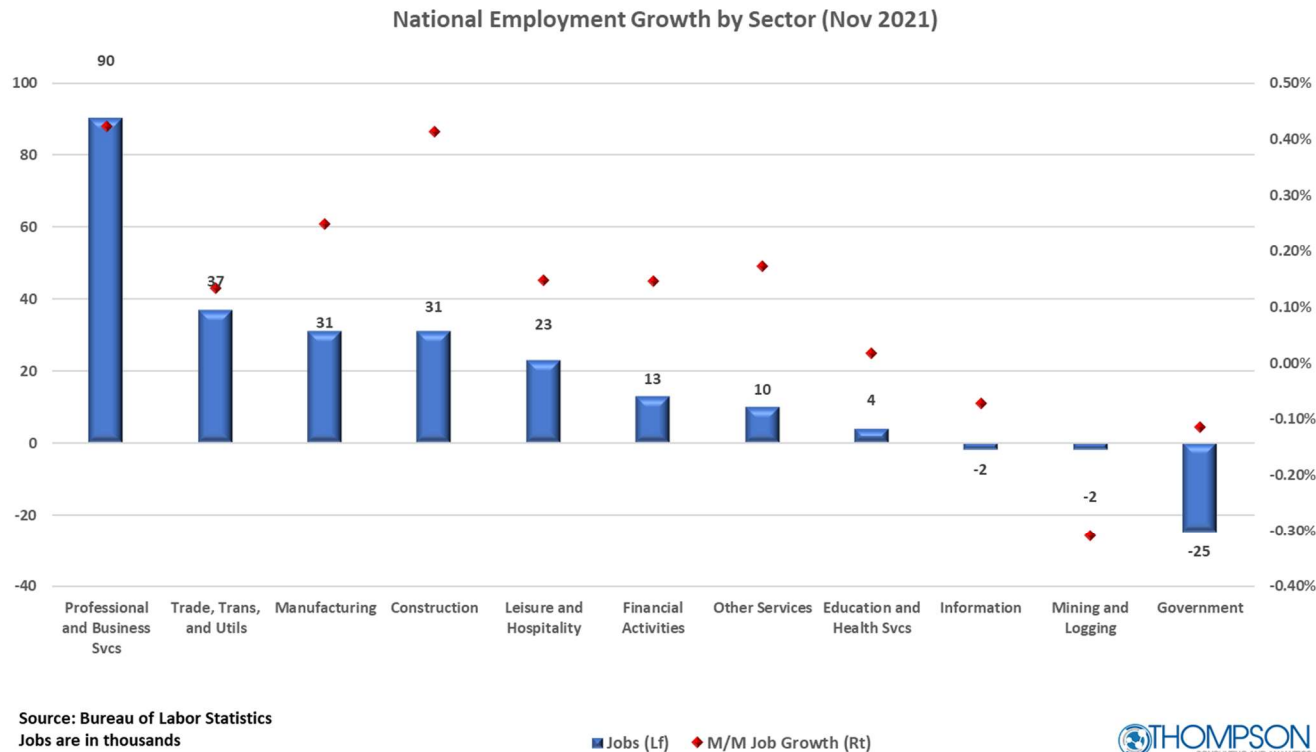


Job Growth: 210k  
Jobless Rate: 4.2%

### Economic Highlights

- November employment growth was below expectations (550k).
- Manufacturing employment has increased for seven consecutive months.
- 2021 Forecast: 575,000 jobs/month.

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



US employment growth (210,000 jobs) struggled amid continuing labor market tightness, supply chain issues, and trepidation surrounding new COVID variants. Employment growth fell below expectations (550,000 jobs) in the November employment release. Professional and business services (90,000 workers) was the largest-gaining sector in the recent release. Manufacturing was a bright spot in the recent report, adding 31,000 workers. The sector continues to add workers despite some lingering worker and materials shortages. The November PMI registered at 61.1% (up 30 bps month-over-month). Respondents cite a slight easing of delivery woes. The government sector continued its contraction, falling by 25,000 workers in November. Over the last 4 months, the sector has shed 173,000 positions. 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 (November 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	261,382	0.7%
Total Employment	150,840	130,161	132,994	137,840	139,566	141,149	141,865	142,545	142,809	142,503	145,870	-4.2%
Full-Time Employment	129,059	114,325	116,545	119,262	119,962	122,461	122,569	123,646	124,292	124,689	126,809	-3.0%
Part-Time Employment	26,564	19,117	20,819	23,125	23,941	24,896	25,067	26,139	25,373	24,917	25,399	-7.8%
Unemployment Rate	4.4%	14.8%	13.3%	11.1%	10.2%	8.4%	7.8%	6.9%	6.7%	6.7%	5.5%	200 bps
Underutilization Rate	8.8%	22.9%	21.2%	18.0%	16.5%	14.2%	12.8%	12.1%	12.0%	11.7%	9.6%	270 bps
Employment/Population Ratio	59.9%	51.3%	52.8%	54.6%	55.2%	56.5%	56.6%	57.4%	57.4%	57.4%	58.2%	-290 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	100,320	5.5%

Source: US Bureau of Labor Statistics

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

Despite the below-expectations job growth, there were some positive data in the November labor market. The unemployment rate fell by 40 bps to 4.2% in the recent report. Also, the underutilization rate fell by 50 bps. Both of these metrics declined while people not in the labor force fell by 473,000 persons. Also, the labor force participation rate rose by 20 bps. These data indicate that there was a tick upward in active jobseekers. Both part-time and full-time employment grew in the recent report. While we are cautiously optimistic about the labor market, we view COVID mandates pose a substantial downside risk to employment growth. Moreover, we expect that inflation will accelerate as interest rates rise and wages growth rises. Finally, we expect the labor shortage to remain an issue well into 2022.