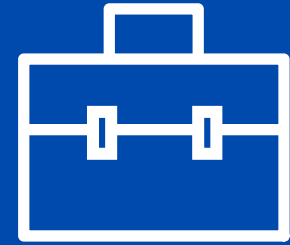


# TCA Monthly Employment Snapshot

## January 2022 Report

February 4, 2022



### Top Expanding Sectors

- Leisure & Hosp: 151k
- Trade, Trans, & Util: 132K
- Professional & Bus: 86k
- Education & Health: 29k
- Government: 23k

### Consumer Sentiment

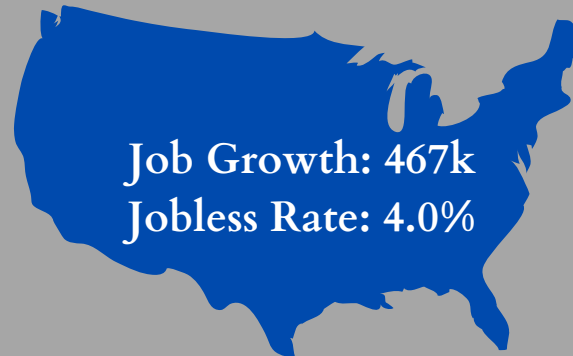
70.6 (+320 bps)

December's data is a rebound from the lowest figure since November 2011.

### PMI

57.6% (-120 bps)

Respondents report labor issues and lingering supply chain woes.



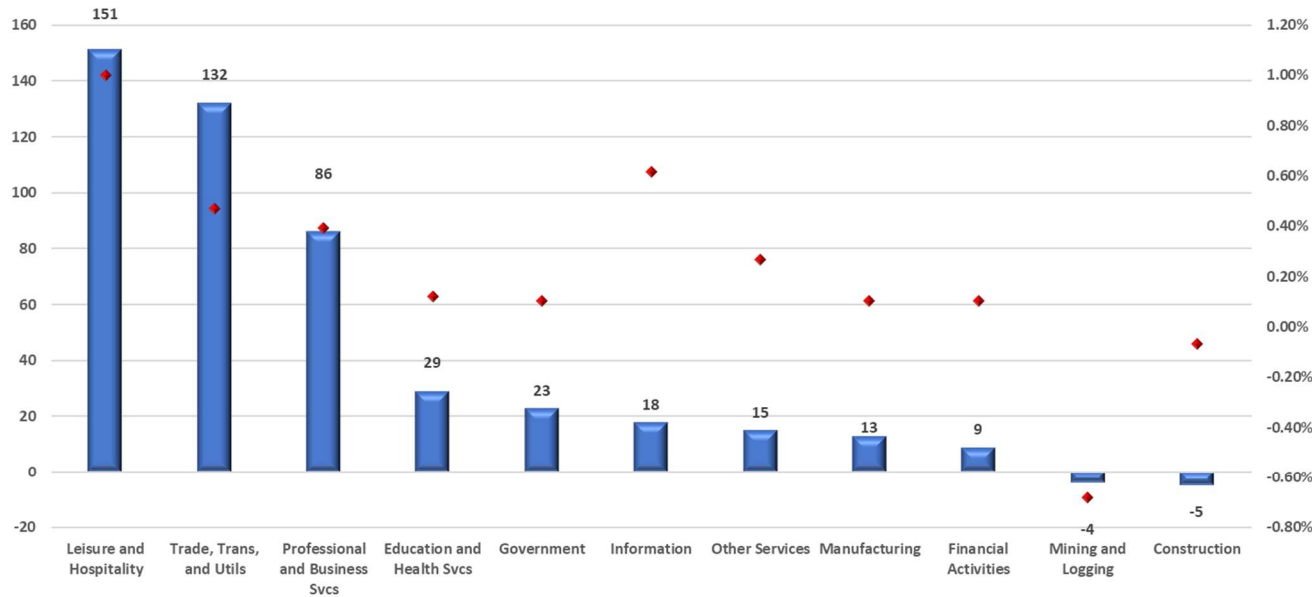
Job Growth: 467k  
Jobless Rate: 4.0%

### Economic Highlights

- January employment growth was above expectations (150k).
- Leisure and hospitality grew by 151,000 jobs.
- 2022 Forecast: 330,000 jobs/month.

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

National Employment Growth by Sector (Jan 2022)



Source: Bureau of Labor Statistics  
Jobs are in thousands

■ Jobs (Lf) ◆ M/M Job Growth (Rt)



US employment growth (467,000 jobs) surged beyond expectations (150,000 jobs) in January 2022. Moreover, the December 2021 employment figure was revised upward from 199,000 workers to 510,000 workers. The upward revision and stronger-than-expected January employment number may bode well for a strong 2022Q1, assuming that the Omicron surge begins to wane. Leisure and hospitality (151,000 workers) was the largest-gaining sector in the recent release. The sector is still 1.6 million workers below the pre-recession level. Trade, transportation, and utilities grew by 132,000 workers in January. Manufacturing added 13,000 workers in January and has recorded positive employment growth for the ninth consecutive month. The December PMI registered at 57.6% (down 120 bps month-over-month). Respondents cite strong demand but hiring challenges and lingering delivery woes. The US economy averaged employment growth of 555,000 in 2021. We expect US employment growth to average 330,000 jobs in 2022.

US Labor Market Snapshot (January 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	263,202	1.4%
Total Employment	144,431	144,694	145,141	145,698	146,387	146,904	147,328	148,005	148,652	149,162	149,629	-1.6%
Full-Time Employment	125,959	126,279	126,514	126,211	127,473	127,340	128,076	128,409	129,388	130,191	131,164	0.2%
Part-Time Employment	25,158	25,046	25,189	25,488	25,310	25,739	25,772	25,903	25,956	25,681	25,817	-6.4%
Unemployment Rate	6.0%	6.0%	5.8%	5.9%	5.4%	5.2%	4.7%	4.6%	4.2%	3.9%	4.0%	50 bps
Underutilization Rate	10.7%	10.3%	10.1%	9.8%	9.2%	8.8%	8.5%	8.2%	7.7%	7.3%	7.1%	20 bps
Employment/Population Ratio	57.8%	57.9%	58.0%	58.0%	58.4%	58.5%	58.8%	58.9%	59.3%	59.5%	59.7%	-140 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%	62.2%	-120 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	99,516	4.7%

Source: US Bureau of Labor Statistics

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

The US labor market was firing on all cylinders in the January report. The unemployment rate ticked up by 10 bps to 4.0% (which is not a bad thing). The underutilization rate fell by 20 bps. Moreover, people not in the labor force fell by 326,000 persons. Also, the labor force participation rate rose by 30 bps. The data shows that there was a tick upward in active jobseekers and the declining underutilization rate. This indicates that jobseekers are finding the jobs that they want (and are not subjected to underemployment). Though we are cautiously optimistic about the labor market, we expect that demand-side factors (i.e., a mismatch between firm requirements and the qualifications of jobseekers) will constrain employment growth. Moreover, we expect that inflation will accelerate as interest rates rise and wages growth continues to surge.