

US Labor Market Overview

January 2024

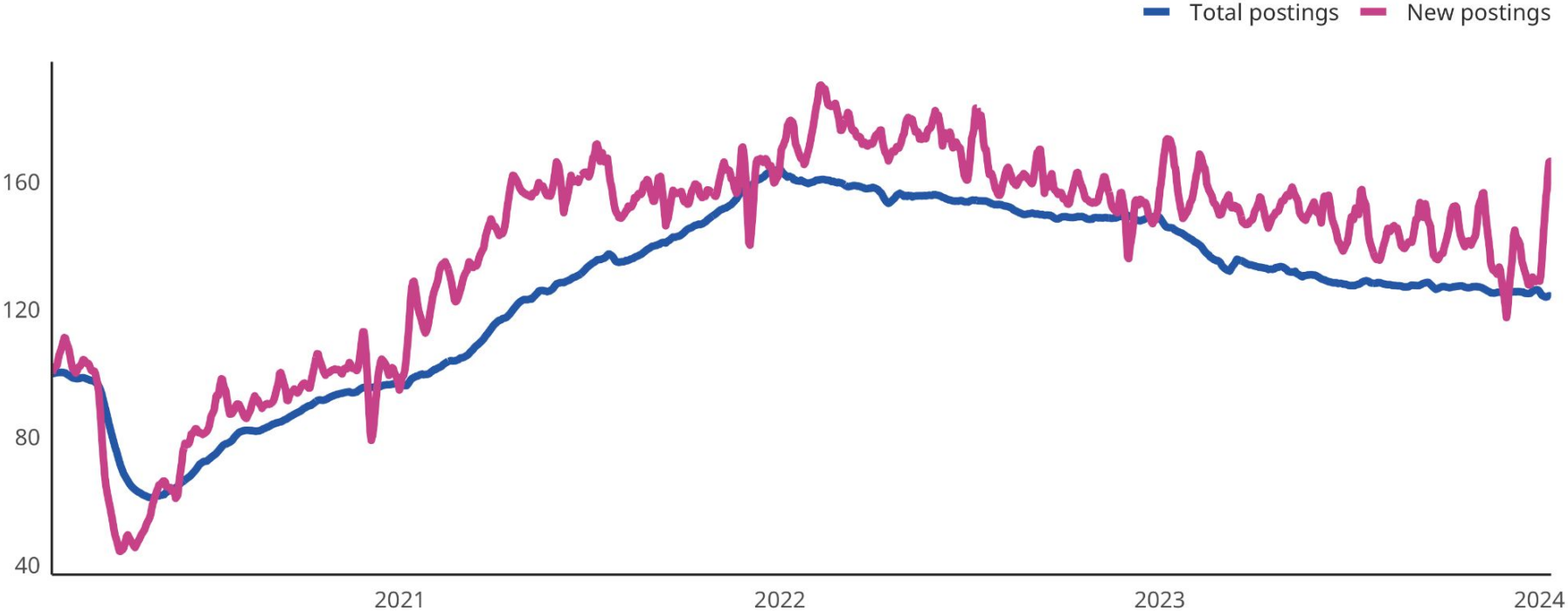
US Labor Market Overview

January 2024

- The resilient US labor market continues to moderate as demand levels off, hiring constraints ease, and wages slow down.
- Demand for new hires has cooled, but job postings remain above their pre-pandemic level, and job openings outnumber unemployed workers.
- Employers now have an easier time holding onto current employees as the quits rate has returned to pre-pandemic levels as layoffs remain low.
- Labor supply has slowed recently as prime-age workers' employment and labor force participation rates retreated at the end of 2023.
- Wages are slowing down, with posted wages set to grow at rates consistent with 2% inflation in the next few months. At the same time, wages are still growing faster than prices, leading to inflation-adjusted wage gains for many workers.

US job postings have continued to moderate

Index, 100 = Feb 1, 2020, United States, data through Jan 12, 2024

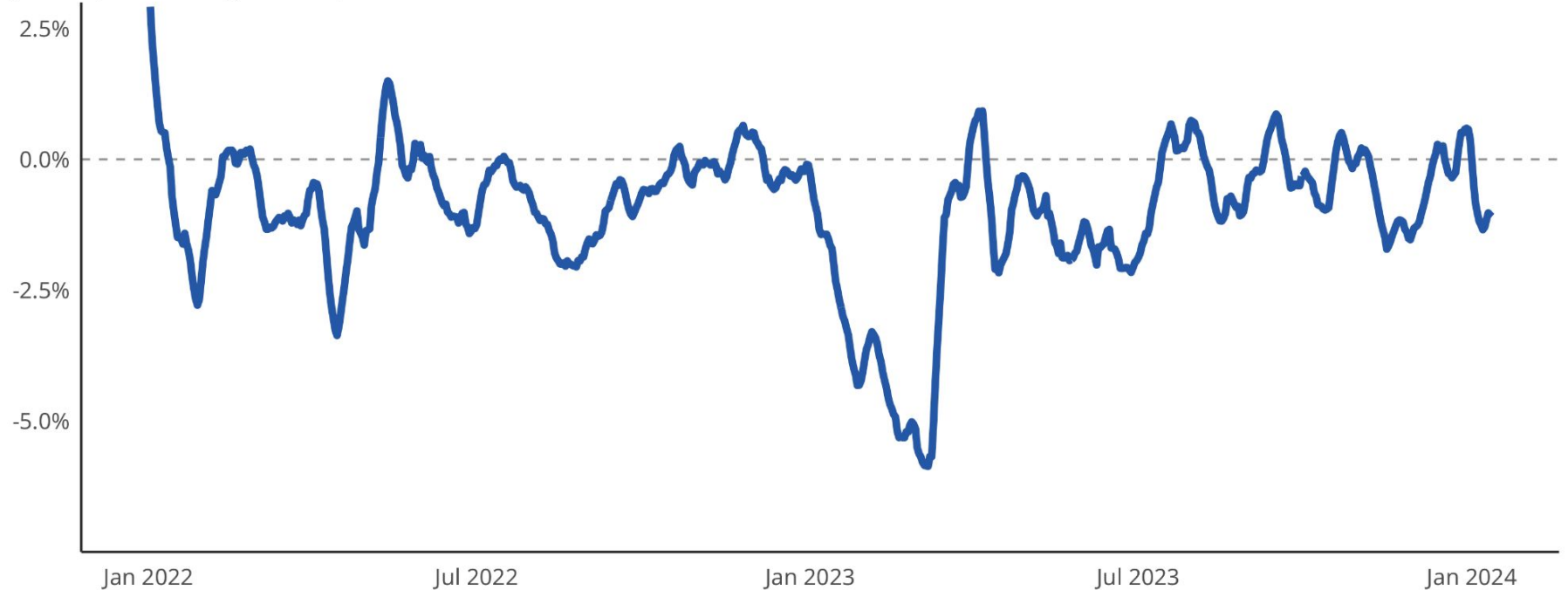


Source: Indeed Job Postings Index. Note: New job postings are those on Indeed for seven days or less.



Job postings on Indeed are down 1.1% from a month ago

Month-over-month growth in Indeed Job Postings Index, United States, Jan 1, 2022 - Jan 12, 2024



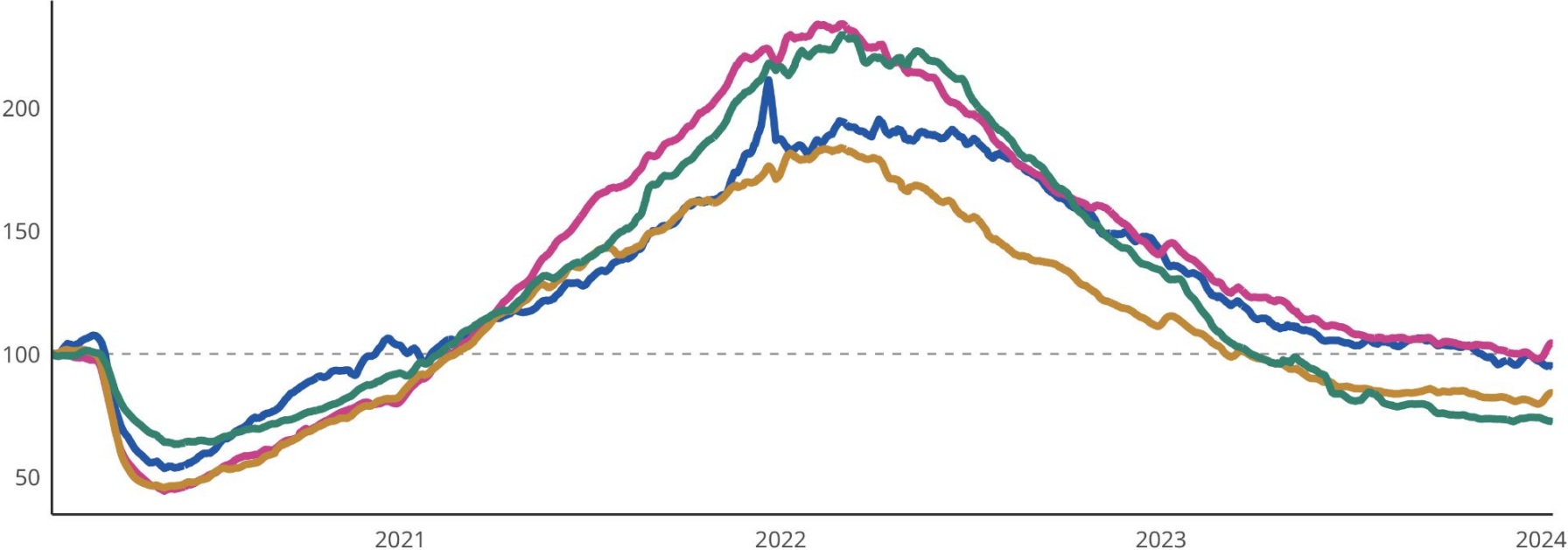
Source: Indeed Job Postings Index. Note: A month prior is defined as 28 day from current date.



US postings have dropped most in traditional 'office job' sectors

Indeed Job Postings Index, 100 = Feb 1, 2020, United States, through Jan 12, 2024

Banking & Finance Human Resources Marketing Software Development

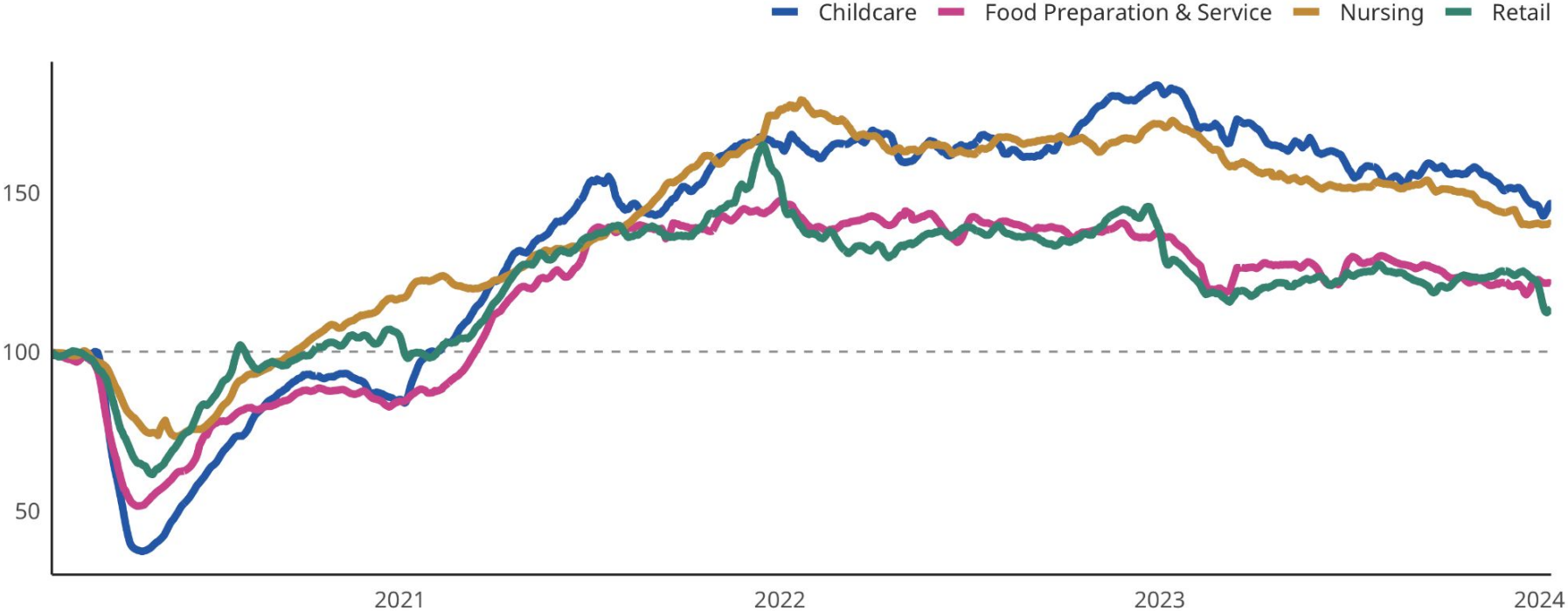


Source: Indeed Job Postings Index



US postings are holding up better in many 'in-person' sectors

Indeed Job Postings Index, 100 = Feb 1, 2020, United States, through Jan 12, 2024

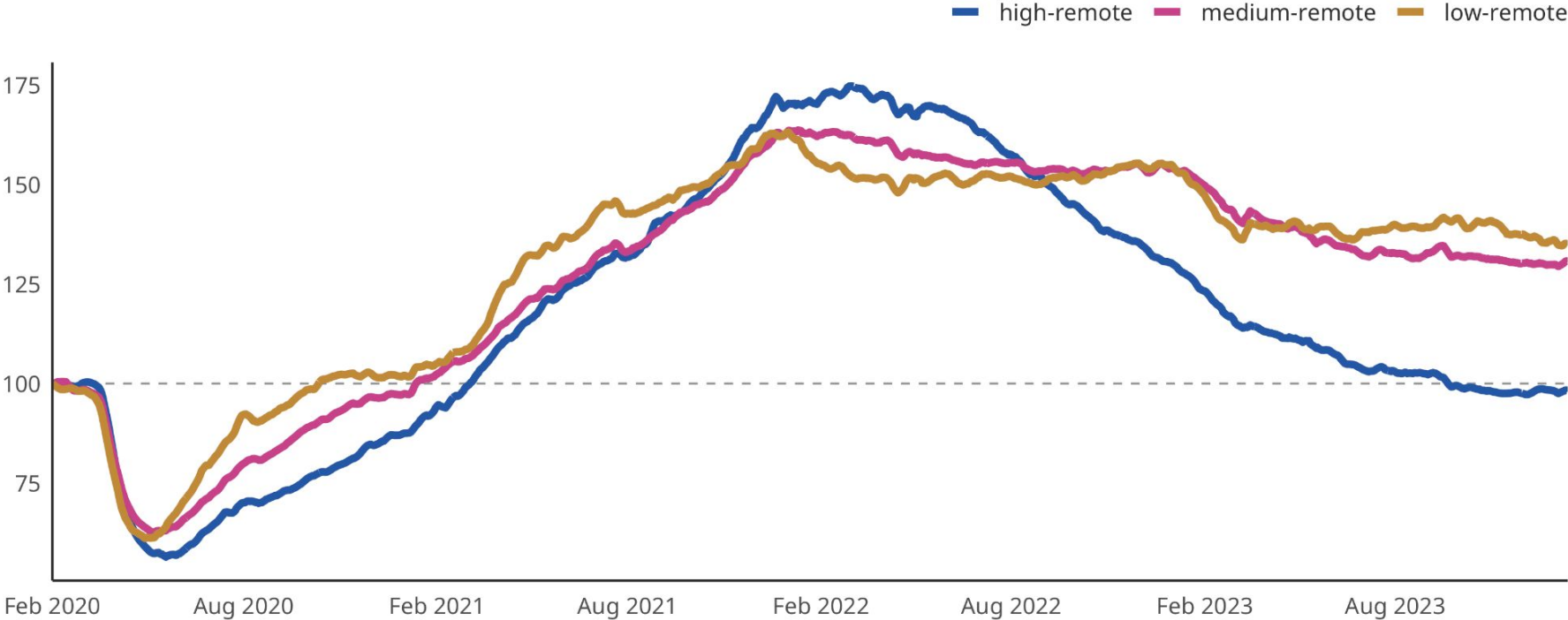


Source: Indeed Job Postings Index



Postings are most resilient in sectors most likely to be in person

US Job Postings Index by remote-work tier, data through Jan 12, 2024

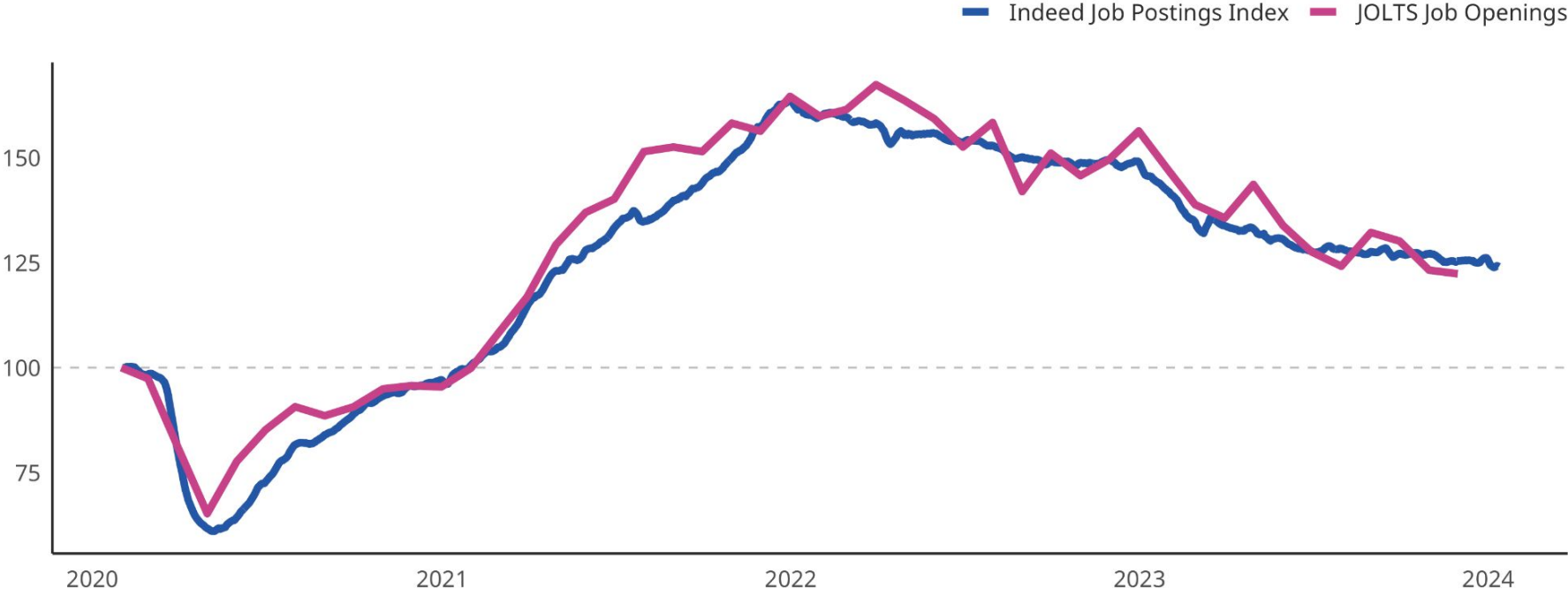


Source: Indeed Job Postings Index



Tracking US job openings and postings

Index, Jan 31, 2020 - Jan 12, 2024

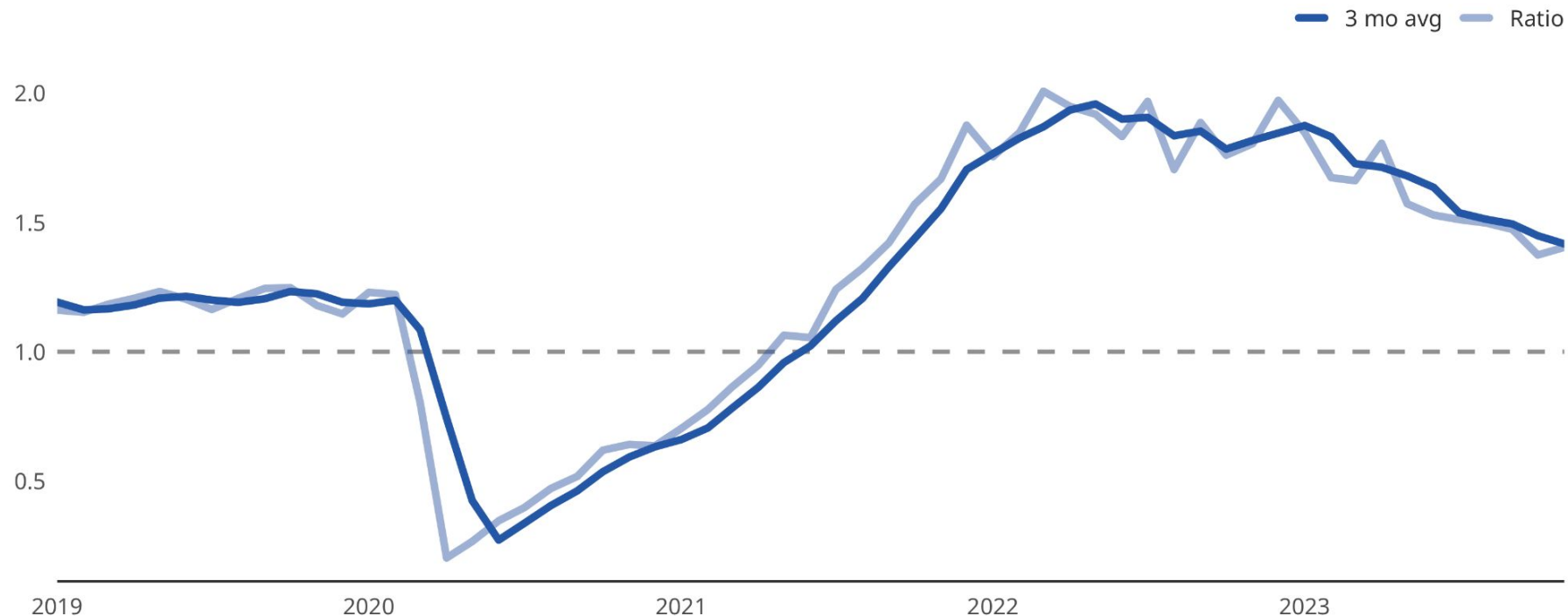


Source: Indeed Job Postings Index, Job Openings and Labor Turnover Survey.
Note: Index is set to 100 = Feb 1, 2020 for Indeed and Jan 2020 (Jan 31, 2020) for JOLTS



Job openings outnumber unemployed workers in the US

Openings per unemployed worker, Jan 2019 - Nov 2023

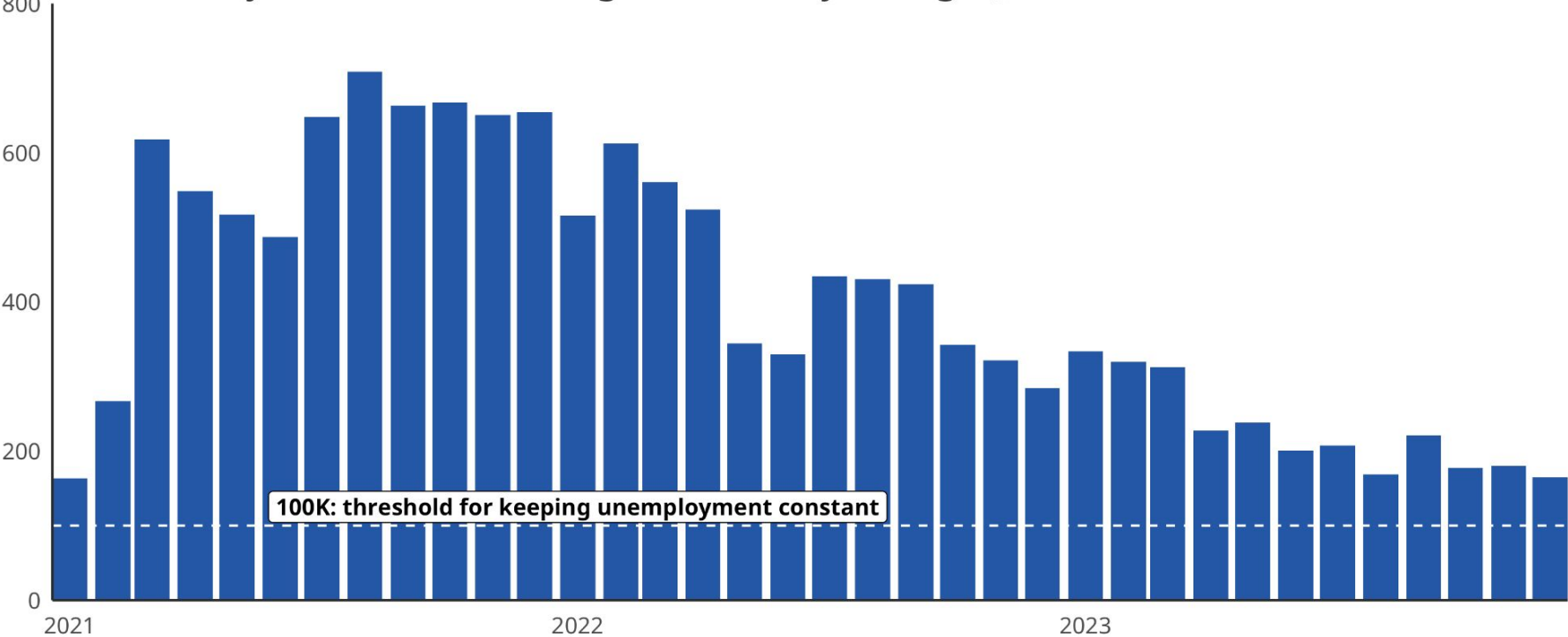


Source: Job Openings and Labor Turnover Survey, Current Population Survey



Pace of monthly job gains

Thousands of jobs, 3 month average of monthly change, Jan 2021 - Dec 2023

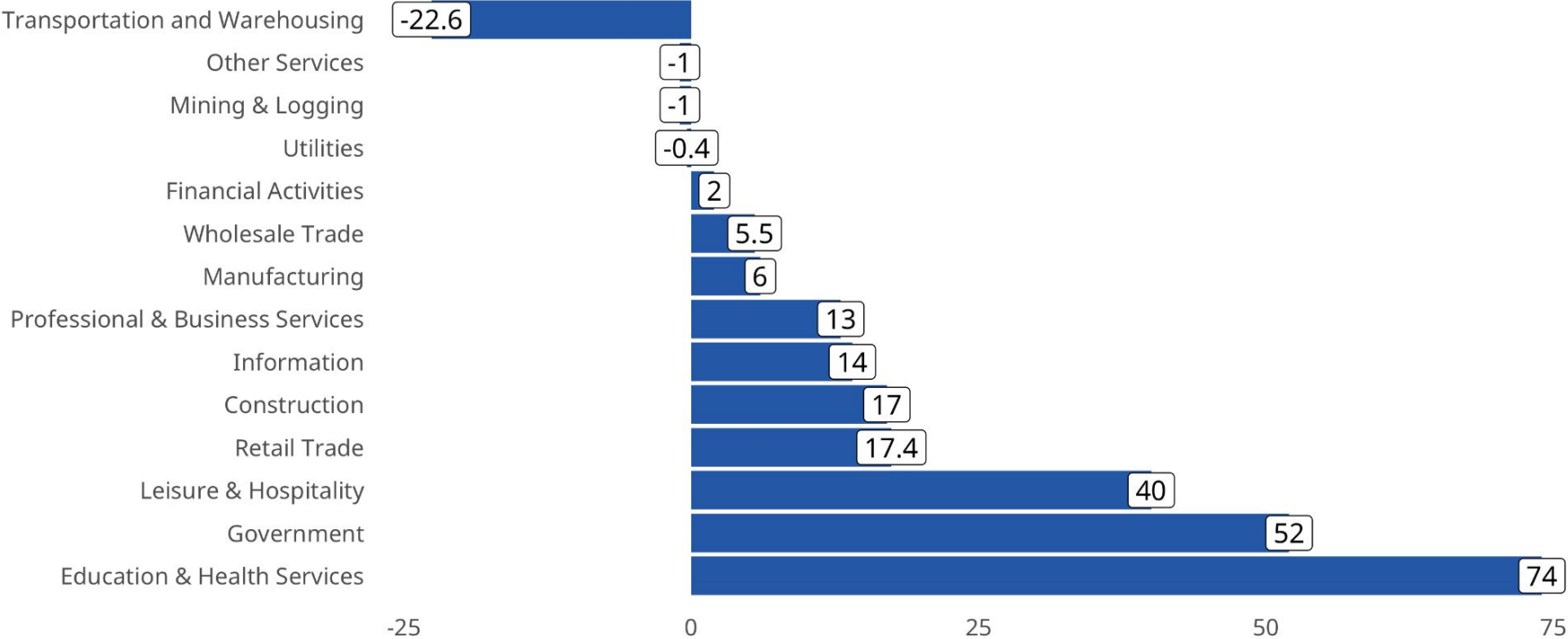


Source: US Bureau of Labor Statistics.



Payroll growth by industry sector

Dec 2023, month-over-month change, thousands of jobs

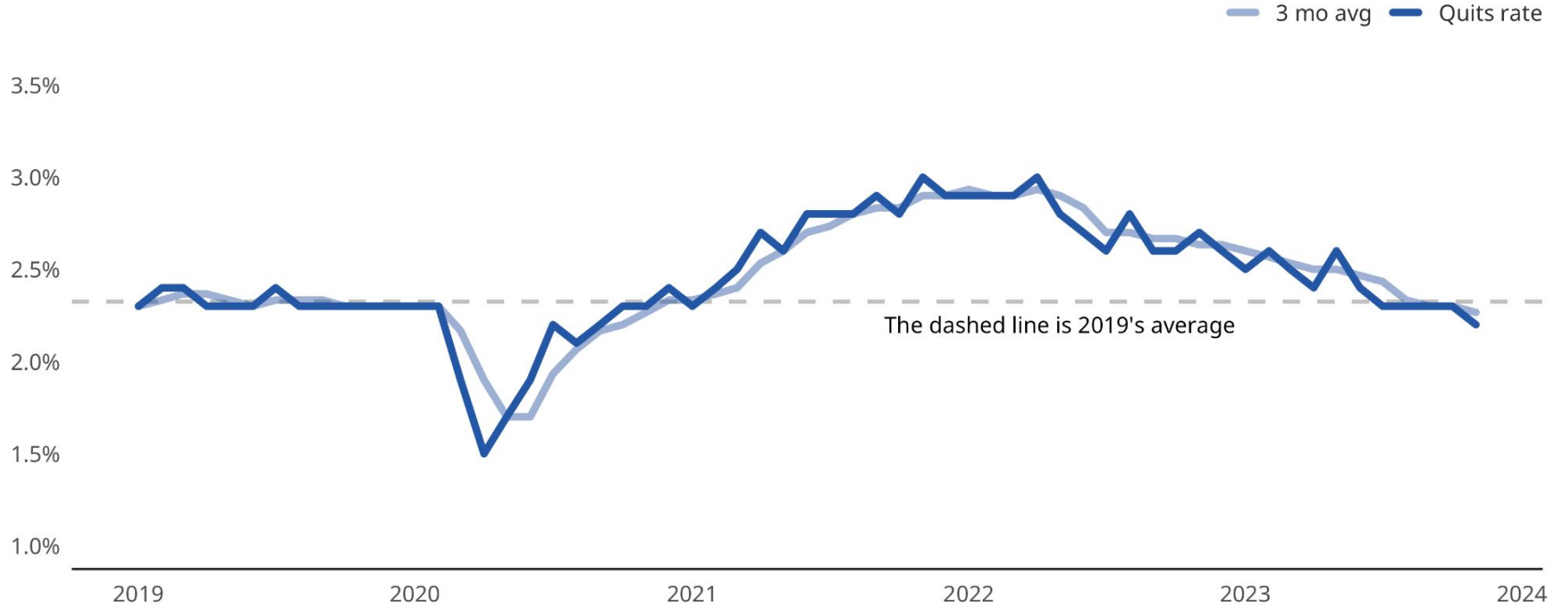


Source: US Bureau of Labor Statistics



The quits rate is back at its pre-pandemic level

Quits as % of employment, Jan 2019 - Nov 2023



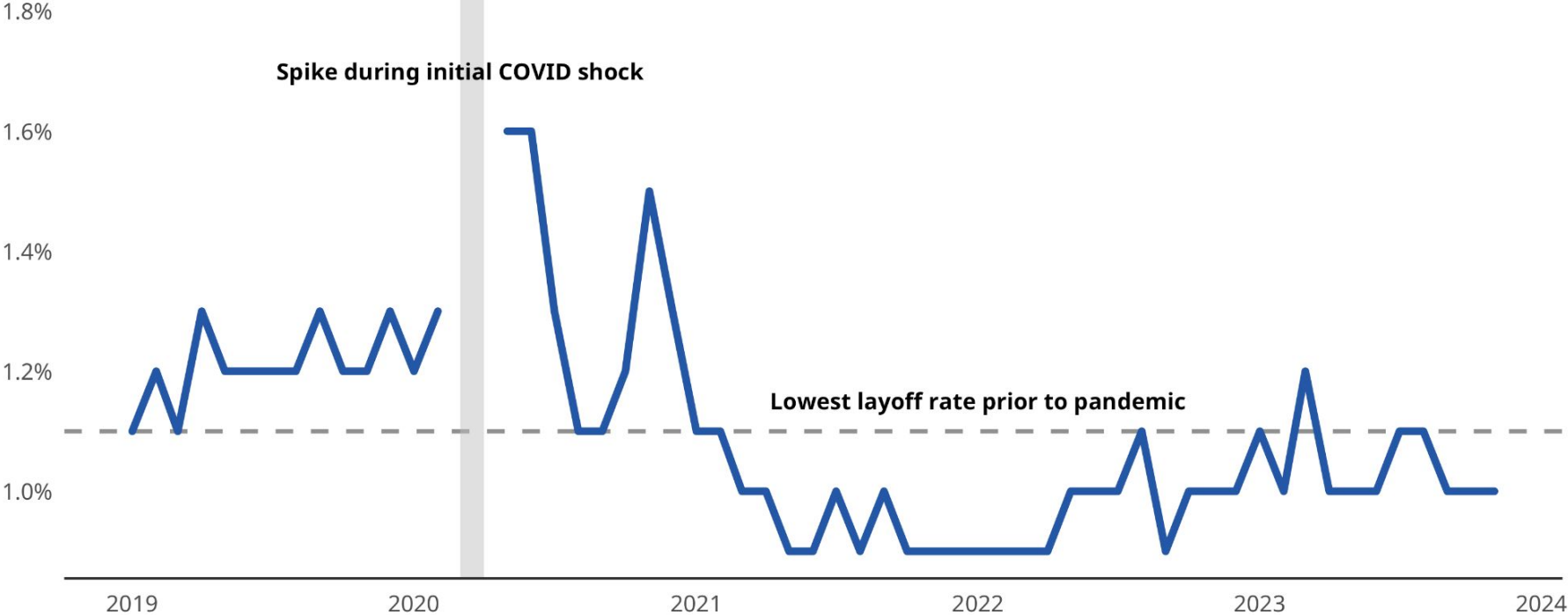
The dashed line is 2019's average

Source: Job Openings and Labor Turnover Survey



Layoffs remain low by historical standards in the US

Layoffs and discharges rate, Jan 2019 - Nov 2023

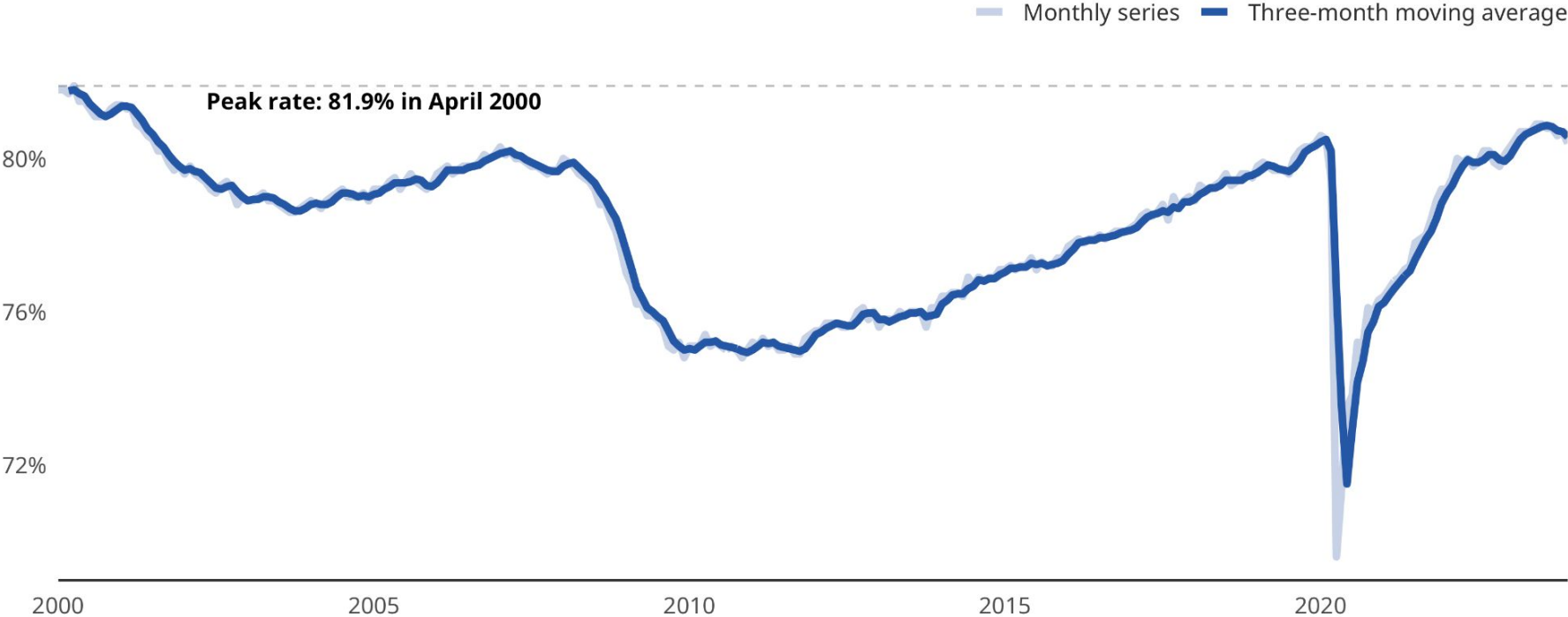


Source: Job Openings and Labor Turnover Survey.



The prime-age employment rate

Share of people ages 25 - 54 with a job, Jan 2000 - Dec 2023



Source: US Bureau of Labor Statistics



The prime-age labor force participation rate

Share of workers aged 25 - 54 in the labor force, Jan 1998 - Dec 2023

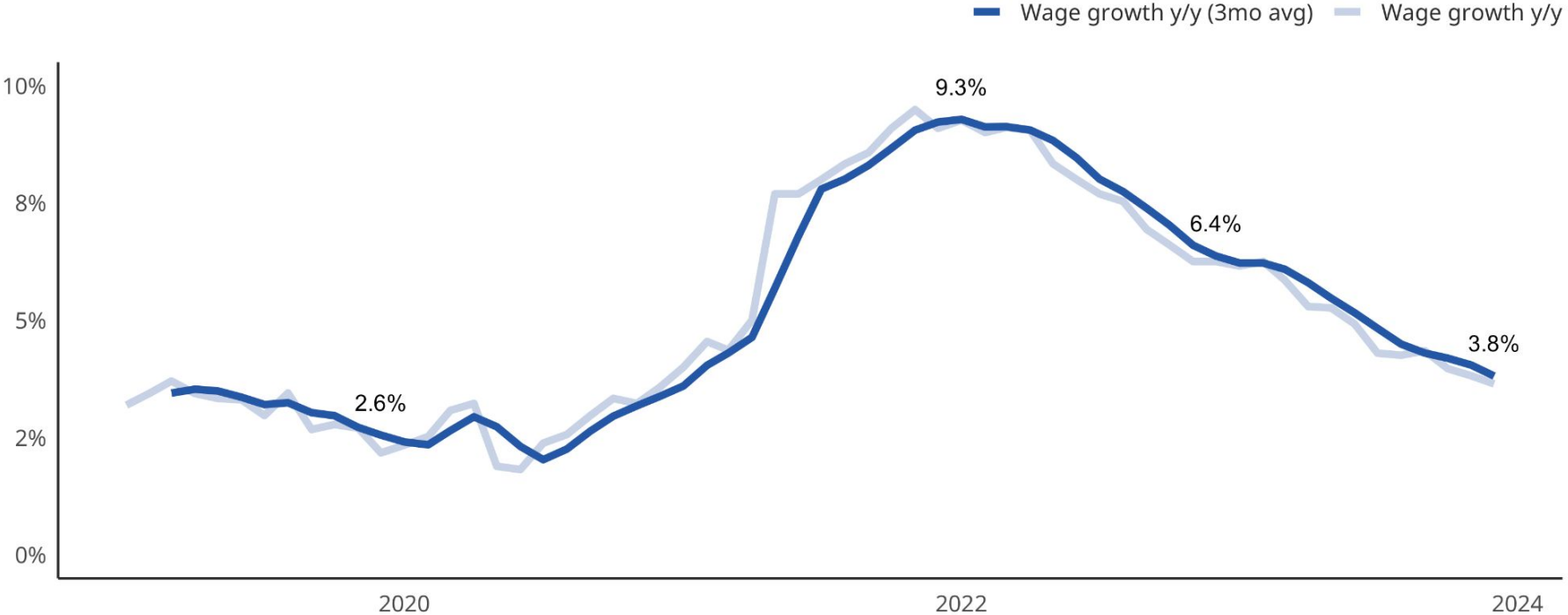


Source: US Bureau of Labor Statistics



US posted wages are slowing considerably

Year-over-year growth in posted wages, Jan 2019 - Dec 2023

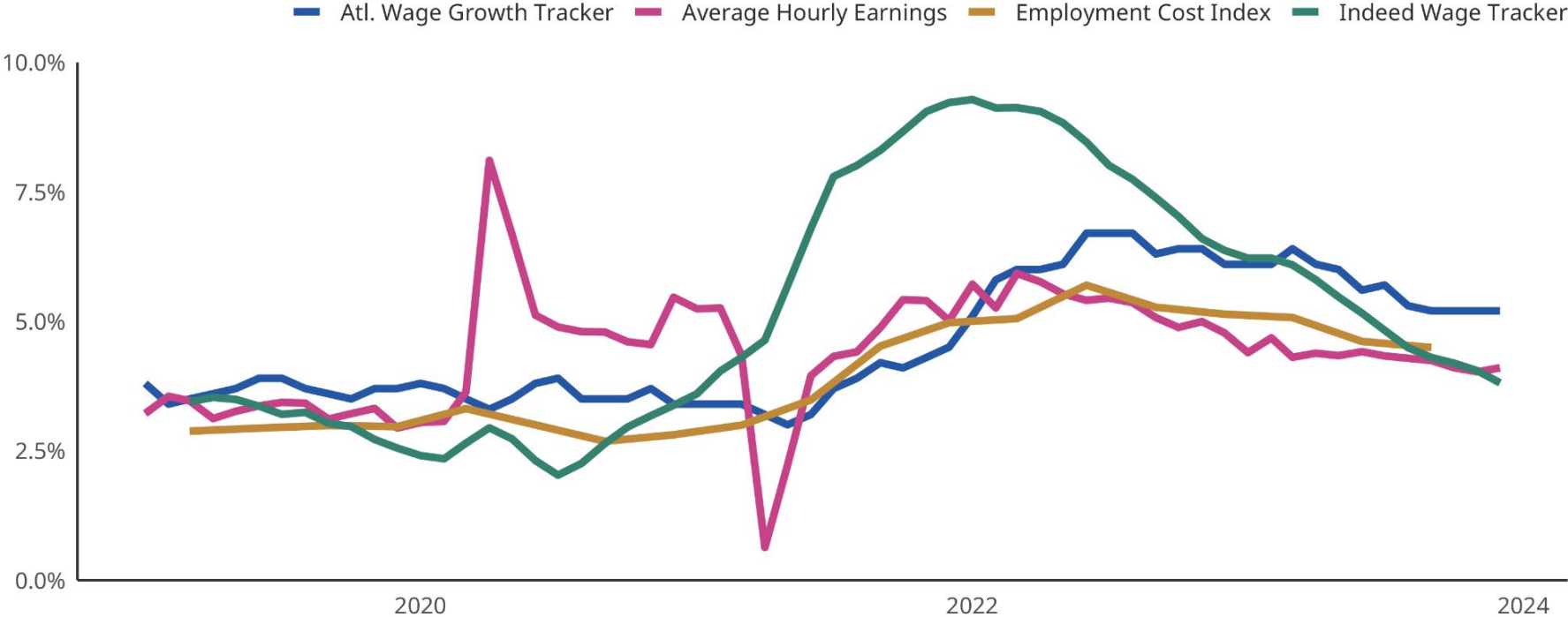


Source: Indeed Wage Tracker



Wage growth remains elevated

Year-over-year growth, Jan 2019 — Dec 2023

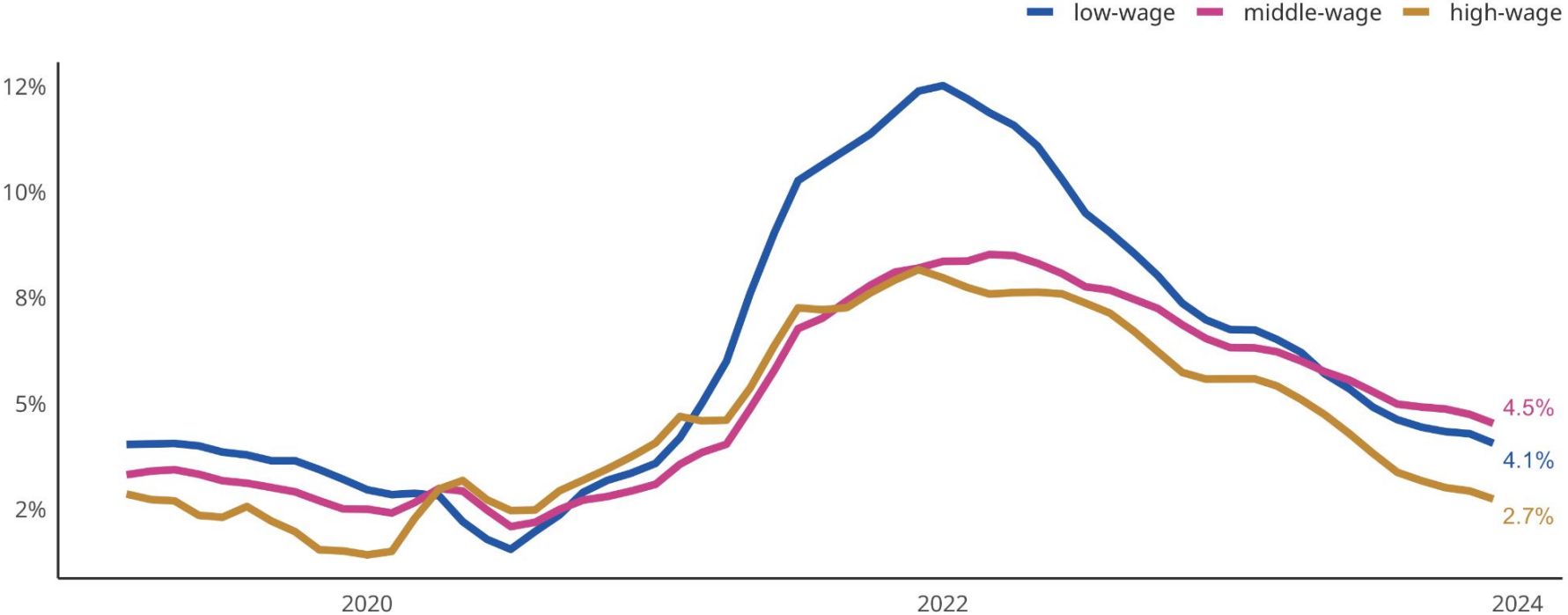


Source: Bureau of Labor Statistics, Federal Reserve Bank of Atlanta, and Indeed



US wage growth is fading across wage tiers

Year-over-year growth in posted wages, 3mo avg, Mar 2019 - Dec 2023

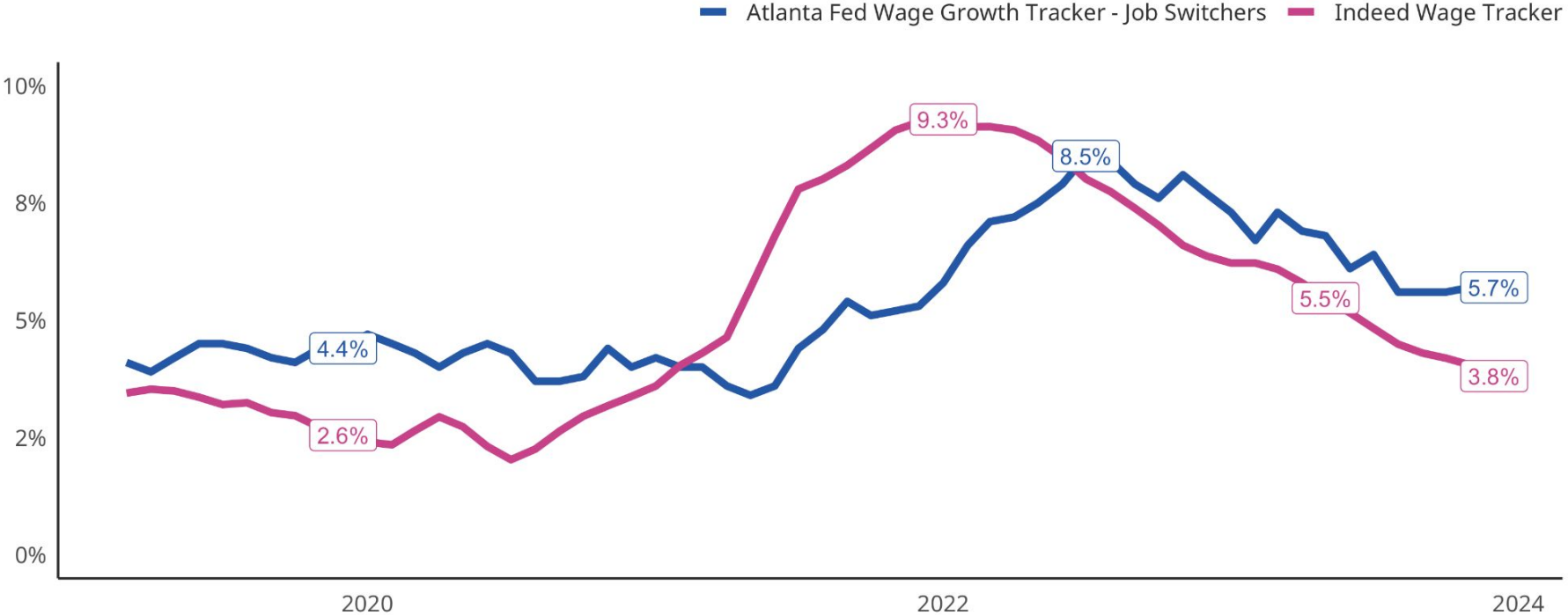


Source: Indeed Wage Tracker. Note: Wage tiers are determined by a category's median posted wage in 2019.



US posted wage growth has led job switcher wage growth

Year-over-year growth, 3 mo moving average, Mar 2019 - Dec 2023

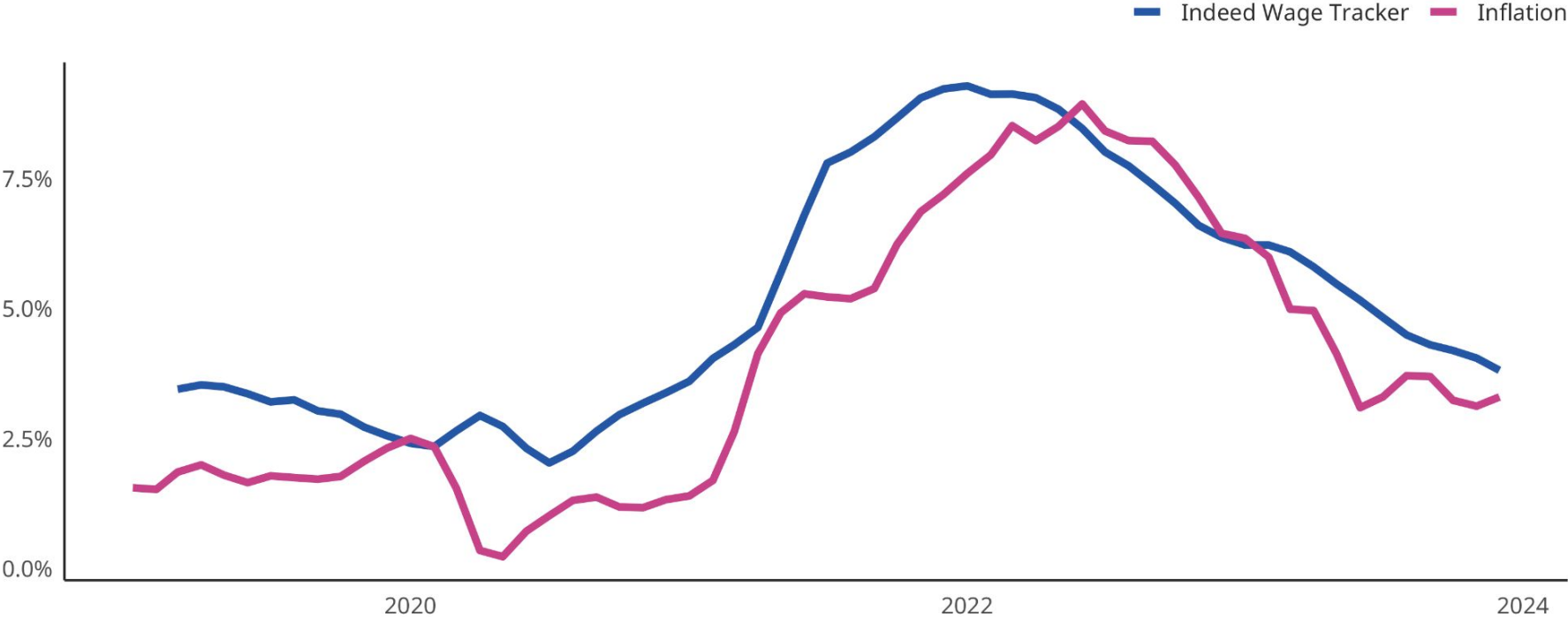


Source: Indeed, Federal Reserve Bank of Atlanta



US posted wages are growing faster than prices

Year-over-year growth, Jan 2019 — Dec 2023



Source: Indeed Wage Tracker, Consumer Price Index

