

October 2, 2020

Job gains cool in September

- U.S. employers hired 661,000 workers during the month, less than half the job gains seen in August and below consensus expectations. Although the labor market has gained back more than 10 million jobs since May, U.S. employment remains more than 10 million below its February level.
- Employment gains were led by the hard-hit leisure & hospitality and retail trade sectors, which added back 318,000 and 142,000 workers respectively. The government sector lost 216,000 workers in September, due to declines in public education employment at the state and local levels.
- The unemployment rate fell to 7.9% in September but remains more than twice the level it was a year ago. Labor force participation dropped again; in addition, more than 100 million Americans are now not in the labor force.
- Average hourly earnings were flat compared to August but remain elevated due to the large loss of lower-paying jobs.
- The slowing momentum in the labor market suggests that the U.S. economy's COVID recovery may be weakening.

NOTABLE SECTORS

Leisure & Hospitality	+318K
Retail Trade	+142K
Professional & Business Services	+189K
Government	-216K

U.S. EMPLOYMENT ROSE BY

661,000

IN SEPTEMBER

AVERAGE HOURLY EARNINGS

\$29.47

4.7% ABOVE LAST YEAR

UNEMPLOYMENT RATE FELL TO

7.9%

3.5% LAST SEPTEMBER

US Monthly Job Change and Unemployment Rate

