

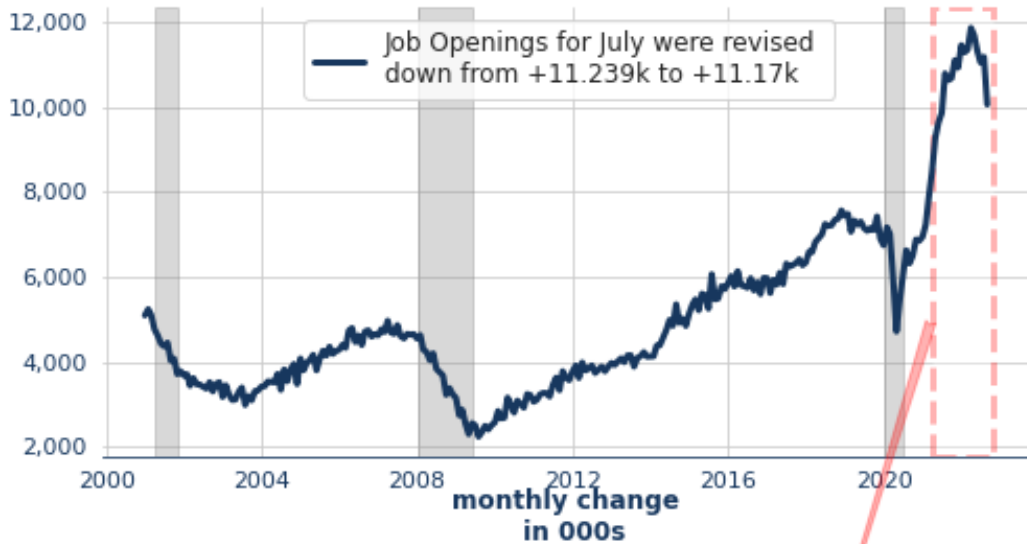
04.Oct.2022

## **JOLTS: Sharp Drop, But With Caveats**

**Bottom Line:** The Job Openings Layoffs and Turnover Survey showed a sharp decline in openings in August. While lagged relative to other labor market indicators, the JOLTS report has been regularly cited by Fed Chair Jay Powell as a source of data about how labor market tightness. The decline in openings will be encouraging to the FOMC, who emphasized after their recent meeting the need for the labor market to "rebalance." That said, there were caveats in this report -- the largest drop in openings came in retail trade and education. Those sectors tend to have heavy seasonal factors, which were skewed in August as the school year started earlier in many parts of the country. **The trend is towards a modest easing in labor market tightness, but the Fed will want to see a few more months of this to confirm it and get beyond some of the difficult seasonal adjustments.**

## JOLTS - Job Openings

August: +10.1MM, consensus: +11.09MM

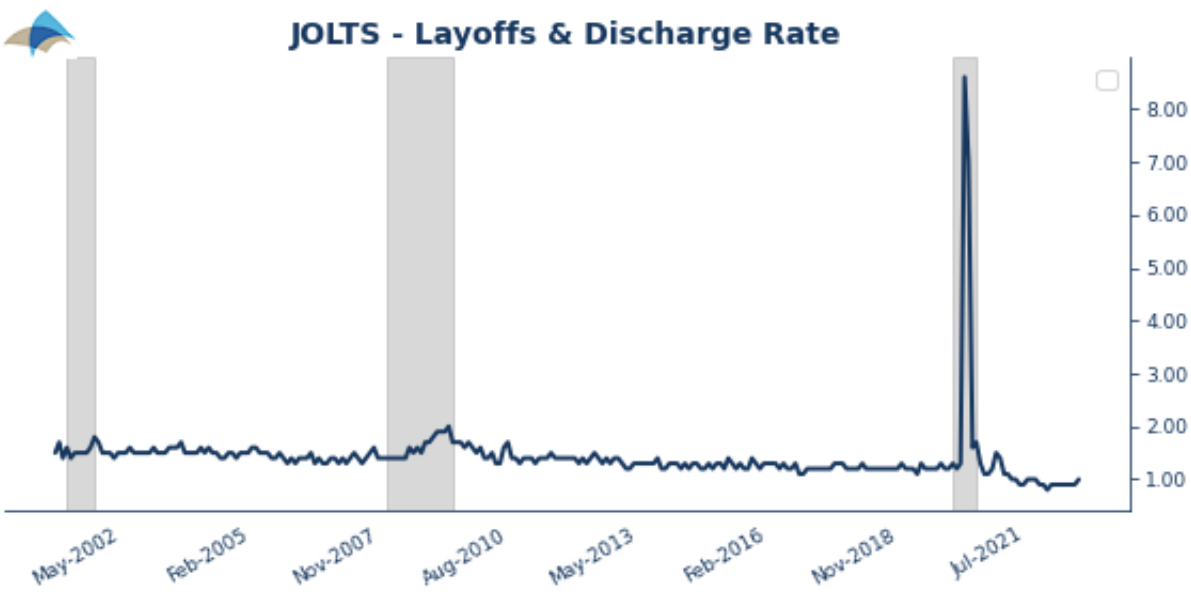
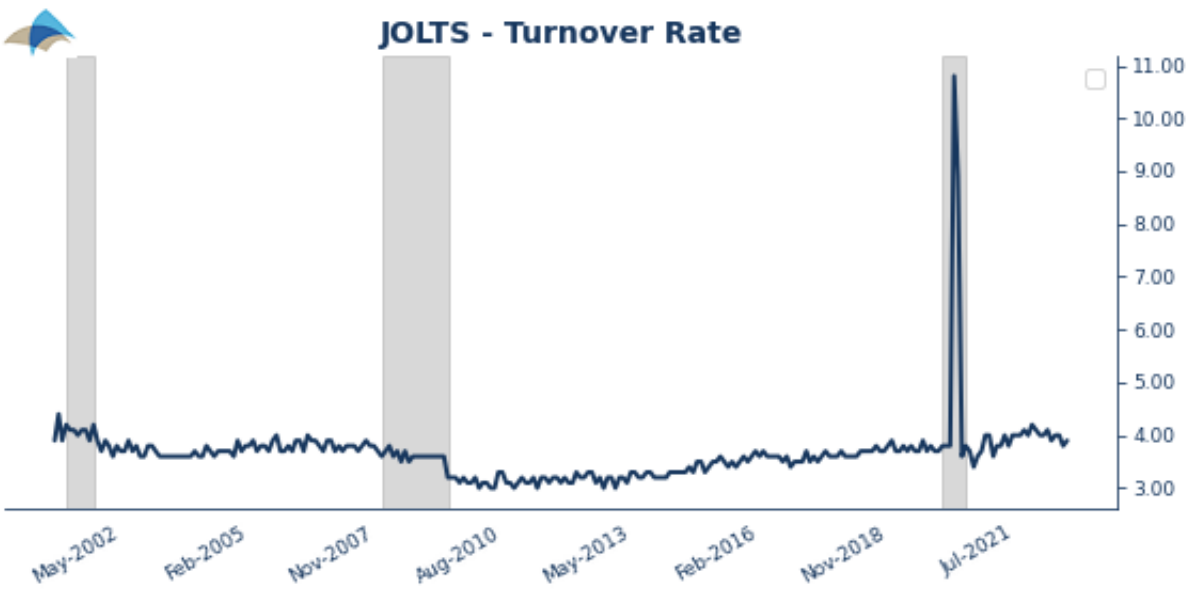
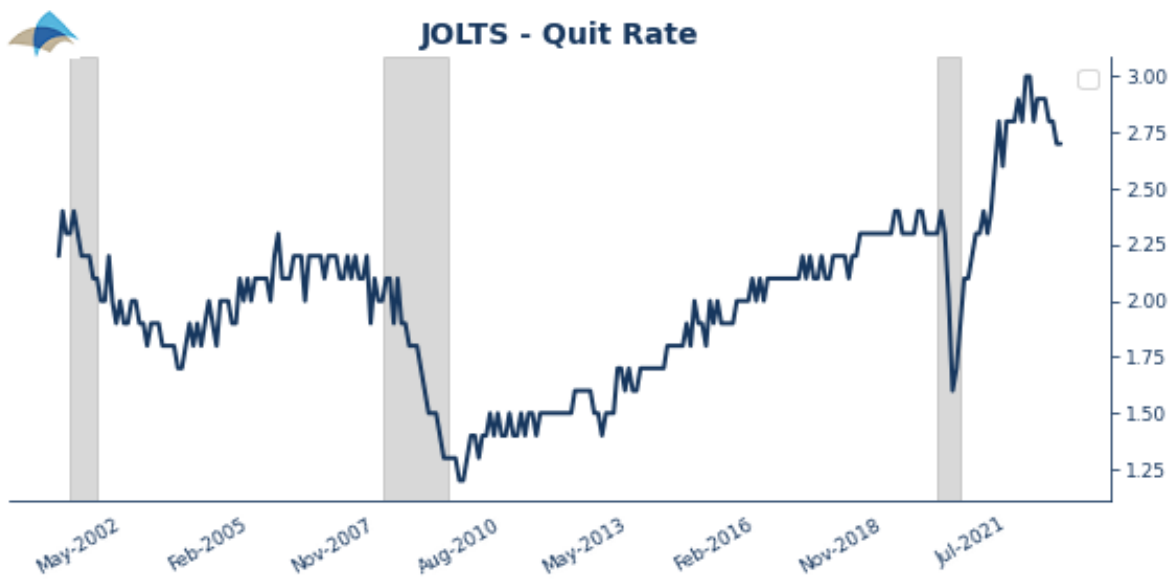


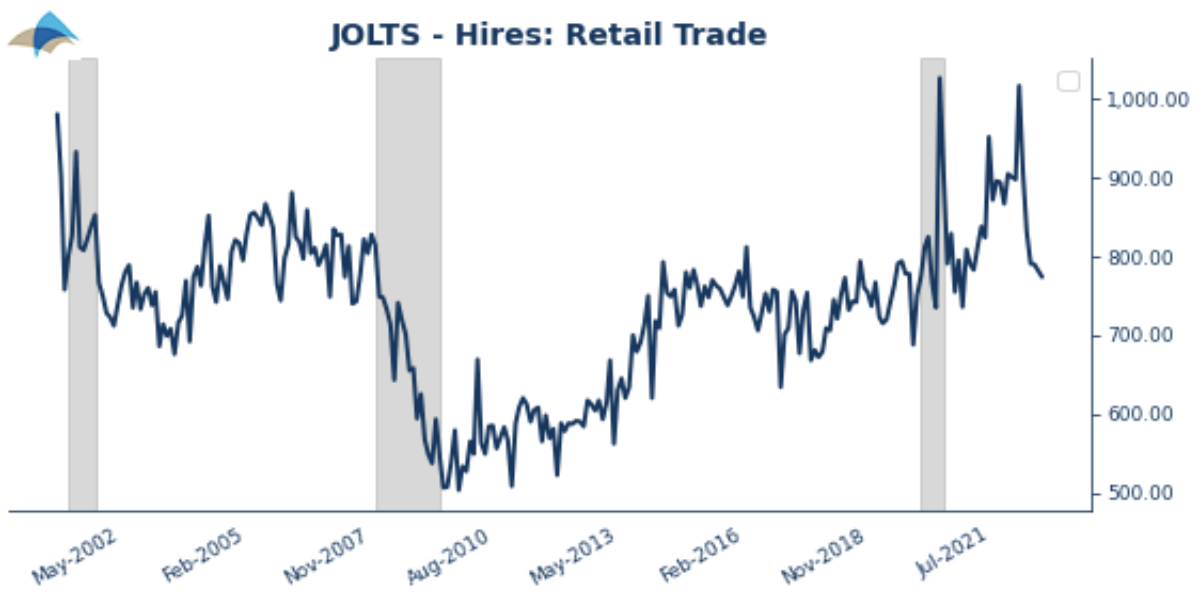
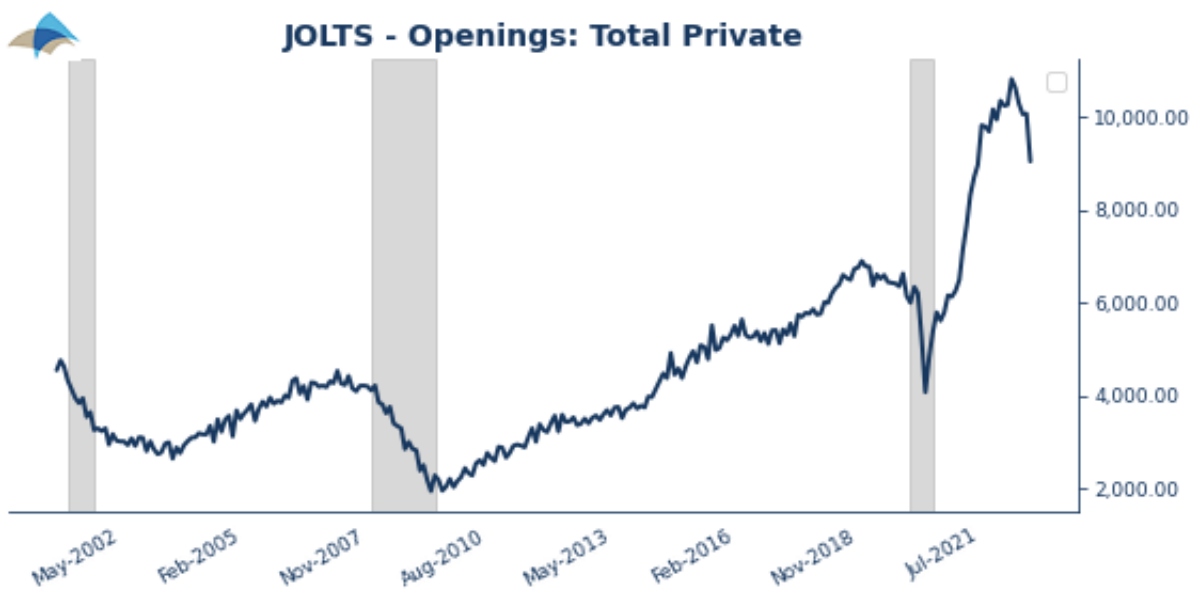
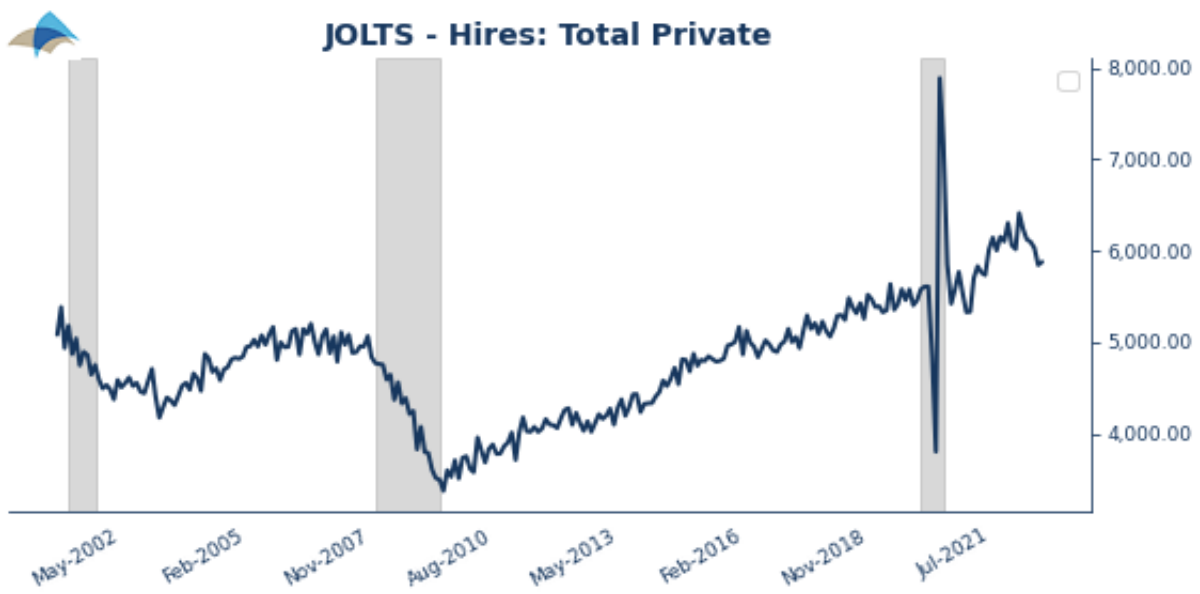
Contingent Macro Advisors 2022 source: US BLS

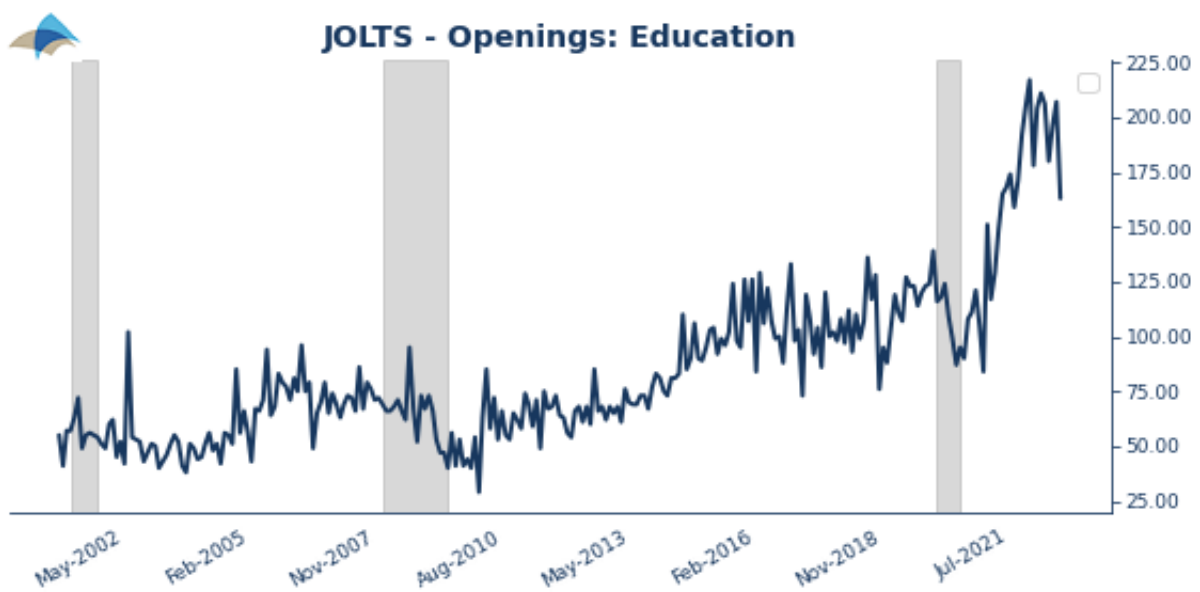
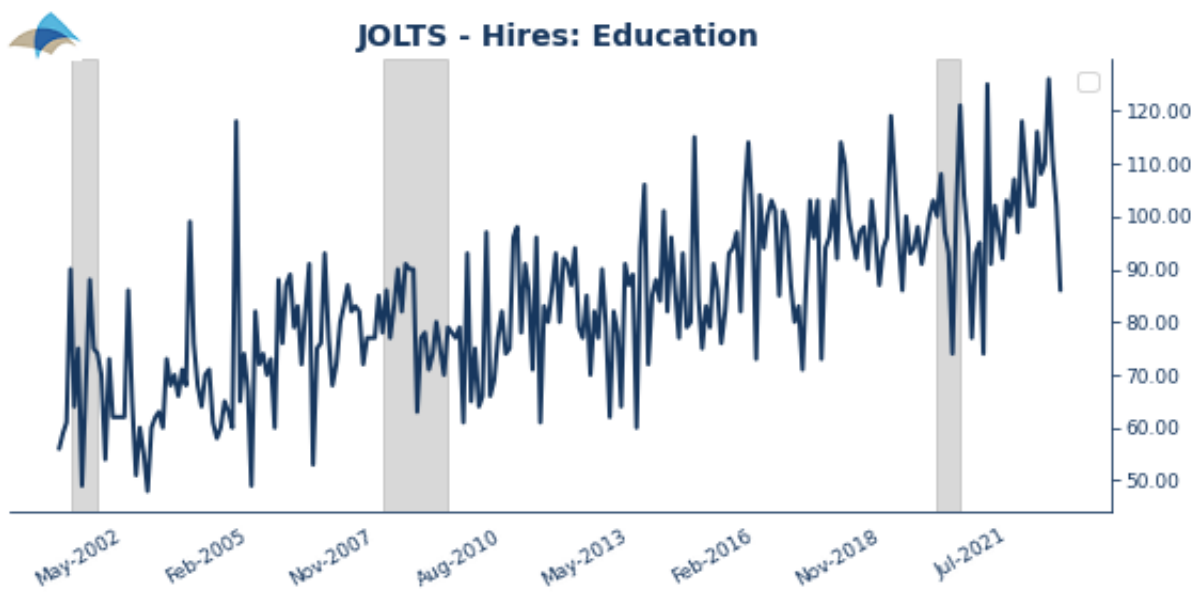
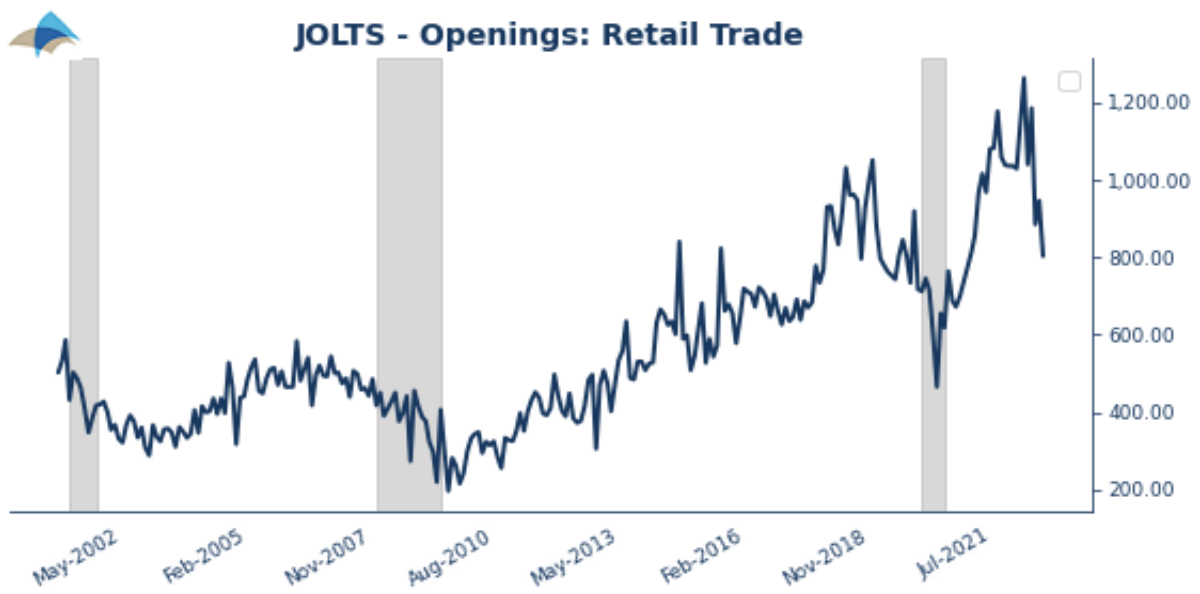
**Job Openings** FELL by 1117k in August to 10.053 million, compared with market expectations for an increase to 11.088 million. Government job openings FELL by 88k. Consequently, private sector job openings FELL by 1028k. Over the past 12 months, there were 576k more job openings.

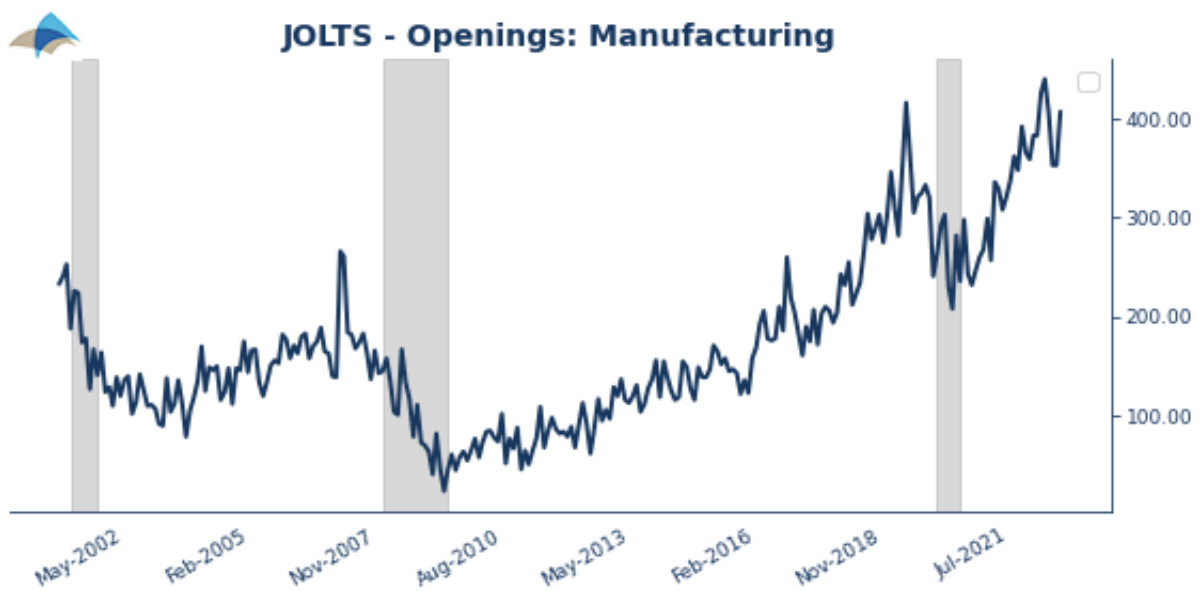
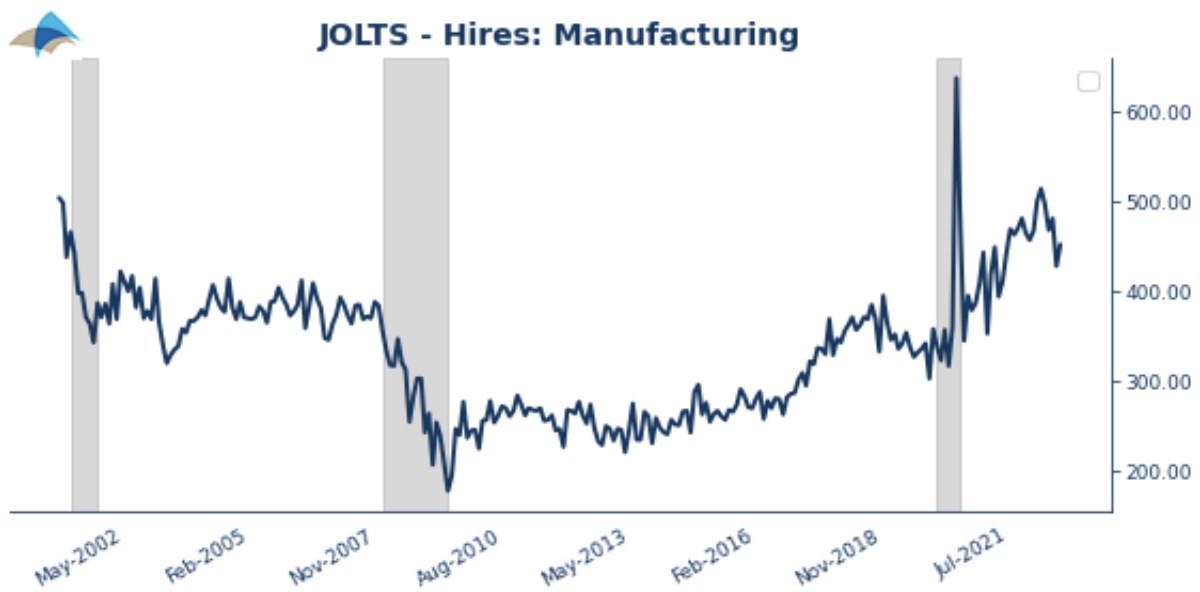
**Job Hires** ROSE by 39k in August to 6.277 million. Over the past 12 months, there were 85k more job hires. Job Separations ROSE by 182k in August to 5.976 million. Over the past 12 months, there were 63k more job separations.

**The Hires to Job openings ratio** ROSE by 0.066 points from 0.558 to 0.624 and is modestly above its 12-month average of 0.583. **The Number of Unemployed to Job openings** ratio ROSE by 0.09 points from 0.51 to 0.60 and is modestly above its 12-month average of 0.57.









Job Openings, Layoffs & Turnover	Aug-22	Jul-22	3m. avg.	6m. avg.	12m. avg.	2021	5y
<b>Quit Rate</b>	<b>2.7</b>	<b>2.7</b>	<b>2.7</b>	<b>2.8</b>	<b>2.8</b>	<b>2.7</b>	<b>2.4</b>
<b>Job Openings</b>	<b>10053.0</b>	<b>11170.0</b>	<b>10754.3</b>	<b>11183.7</b>	<b>11155.5</b>	<b>9823.1</b>	<b>8007.0</b>
<b>Job Opening Rate</b>	<b>6.2</b>	<b>6.8</b>	<b>6.6</b>	<b>6.9</b>	<b>6.9</b>	<b>6.3</b>	<b>5.1</b>
Hires Rate	4.1	4.1	4.1	4.2	4.3	4.3	4.1
Turnover Rate	3.9	3.8	3.9	4.0	4.0	3.9	4.0
Layoffs & Discharge Rate	1.0	0.9	0.9	0.9	0.9	1.0	1.4
Hires: Total Private	5880.0	5846.0	5919.7	6037.5	6106.8	5929.5	5642.2
Hires: Construction	373.0	384.0	369.7	369.3	370.3	366.7	389.7
Hires: Manufacturing	452.0	428.0	453.7	473.3	473.3	439.4	395.6
Hires: Retail Trade	774.0	782.0	782.0	812.3	863.0	861.2	795.3

Hires: Professional Business Services	1204.0	1258.0	1241.7	1279.3	1275.2	1230.0	1173.7
Hires: Health Care	717.0	760.0	760.0	749.7	745.7	680.2	659.4
Hires: L&H Arts, Ent., Rec.	139.0	160.0	159.7	165.8	165.7	161.4	163.0
Hires: Accom. and Food Serv.	991.0	911.0	963.0	971.7	999.8	1023.1	957.9
Hires: State and Local Gov	360.0	348.0	362.7	362.8	353.0	328.7	320.4
Openings: Total Private	9037.0	10065.0	9718.7	10145.0	10123.1	8913.1	7232.5
Openings: Construction	407.0	353.0	371.0	397.3	384.6	334.5	304.2
Openings: Manufacturing	407.0	353.0	371.0	397.3	384.6	334.5	304.2
Openings: Retail Trade	803.0	946.0	878.0	1020.3	1038.2	1010.2	874.0
Openings: Professional Business Services	1872.0	1991.0	1996.7	2109.0	2047.5	1777.7	1450.8
Openings: Health Care	1722.0	1958.0	1902.0	1947.7	1942.4	1627.2	1339.4
Openings: L&H Arts, Ent., Rec.	193.0	203.0	182.7	180.5	186.5	181.7	133.9
Openings: Accom. and Food Serv.	1213.0	1313.0	1289.7	1339.0	1426.9	1238.6	968.2
Openings: State and Local Gov	888.0	946.0	902.0	909.5	895.2	777.2	654.3
Hires: Trade, Trans., Utils ex-Retail	515.0	495.0	499.0	504.8	495.2	476.2	437.5
Hires: Federal and Other Govt	38.0	44.0	41.7	41.5	42.5	43.3	46.5
Hires: Education	86.0	102.0	99.7	107.2	107.2	103.6	99.8
Openings: Trade, Trans., Utils ex-Retail	835.0	832.0	811.7	829.5	853.2	783.3	599.1
Openings: Federal and Other Govt	128.0	158.0	133.3	129.2	137.2	132.9	120.2
Openings: Education	163.0	207.0	188.7	193.8	194.2	166.4	131.8

source: Bureau of Labor Statistics API