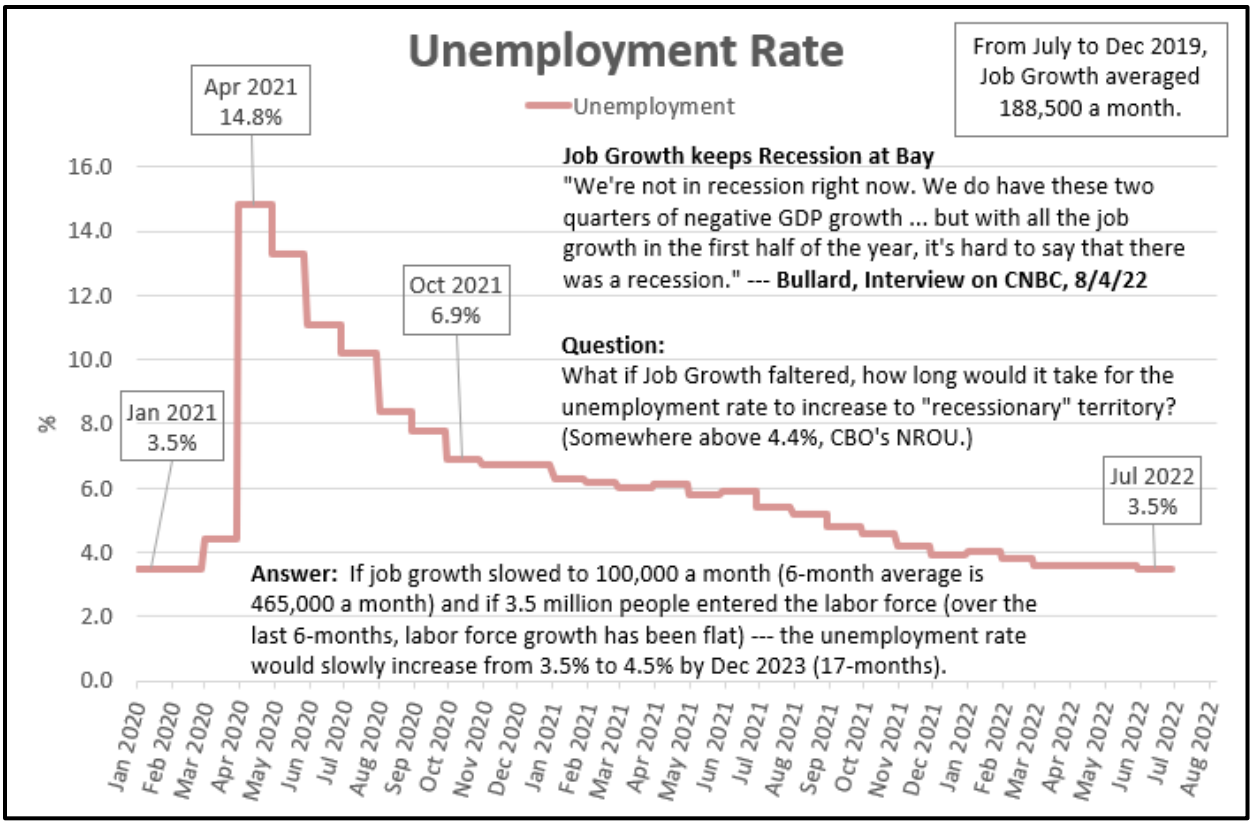
Unemployment Rate
Unemployment
From July to Dec 2019, Job Growth averaged 188,500 a month.
Apr 2021 14.8%
Oct 2021 6.9%
Jan 2021 3.5%
Jul 2022 3.5%
Job Growth keeps Recession at Bay
"We're not in recession right now. We do have these two quarters of negative GDP growth ... but with all the job growth in the first half of the year, it's hard to say that there was a recession." --- Bullard, Interview on CNBC, 8/4/22
Question:
What if Job Growth faltered, how long would it take for the unemployment rate to increase to "recessionary" territory? (Somewhere above 4.4%, CBO's NROU.)
Answer: If job growth slowed to 100,000 a month (6-month average is 465,000 a month) and if 3.5 million people entered the labor force (over the last 6-months, labor force growth has been flat) --- the unemployment rate would slowly increase from 3.5% to 4.5% by Dec 2023 (17-months).
%
16.0
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
Jan 2020
Feb 2020
Mar 2020
Apr 2020
May 2020
Jun 2020
Jul 2020
Aug 2020
Sep 2020
Oct 2020
Nov 2020
Dec 2020
Jan 2021
Feb 2021
Mar 2021
Apr 2021
May 2021
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