United States: Another Solid Gain for Jobs

**HIGHLIGHTS**

- The establishment survey shows that 228,000 new jobs were created in November following October’s 244,000 new jobs (downgraded from 261,000).

- The construction sector created 24,000 jobs and manufacturing gained 31,000.

- There were 159,000 net hires in private sector services, following a gain of 213,000 jobs in October. After a post-hurricane increase of 87,500 jobs in October, the number of new workers in food services was more modest in November, with 18,900 added to payrolls. Retailers hired 18,700 workers. The health care and education sectors created 54,000 jobs— the best showing since February. Professional services added 46,000 hires to payrolls.

- The jobless rate remained at 4.1%. The household survey showed a gain of 57,000 jobs, while the workforce expanded by 148,000 people. Like in October, the participation rate was relatively weak at 62.7%.

- The average hourly wage ticked up 0.2% in November after slipping 0.1% in October (downgraded from 0.0%) and gaining 0.4% in September. The annual change went from 2.3% to 2.5%.

**COMMENTS**

While not as strong as October’s gain that captured the post-hurricane rebound, job creation in November still reflects the U.S. economy’s solid performance. Job growth in fact beat the consensus forecast, which instead called for just under 200,000 hires. The net revisions in the last two months have been fairly modest, with a total of 3,000 more jobs than the number announced in early November. Of note, the 33,000 jobs lost initially published for September have now done an about-face to a gain of 38,000 new jobs. Including November, the U.S. economy is now enjoying its 86th consecutive month of total job creation and 93 months of employment growth in the private sector.

The average wage growth got back to its recent trend after the fluctuations caused by the hurricanes. This trend is nevertheless disappointing, especially when compared to other data on the job market.

**IMPLICATIONS**

The solid showing for the job market confirms what the market already expects: the Federal Reserve will hike its key rate at its December 13 meeting.

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