



Rodney's Take

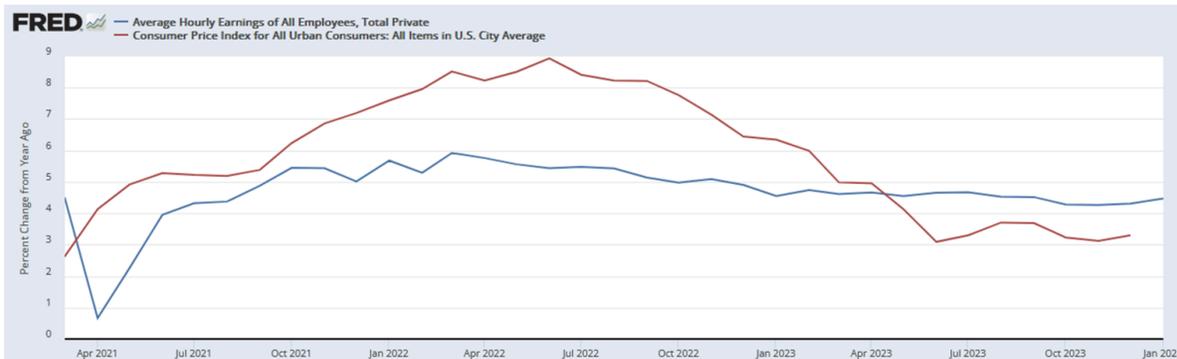
February 5, 2024

Still Grumpy

The U.S. Bureau of Labor Statistics (BLS) reported the January jobs numbers on Friday, and it was a barn burner. The U.S. economy created 353,000 jobs in January, almost double the forecast, and revised the numbers for November and December higher. Together, the economy created almost half a million jobs, and unemployment remains at a paltry 3.7%. That's great, but consumers have long memories. Economists might tout the great numbers we've gotten over the past few months, but we're paying for the recent economic sins of our political leaders (both sides included).

Business journalists cheered when the average hourly earnings finally popped up above the Consumer Price Index (CPI) in May 2023, but they didn't tell the entire story. It's true that average hourly earnings are rising faster than inflation, but that's after trailing CPI for two years, and often by big margins.

Average Hourly Earnings vs. Consumer Price Index March 2021–January 2024



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On top of that, the hours worked ticked down a bit, so average hourly earnings were spread over less time on the clock. That might make earnings statistics look better, but it doesn't put more money in your pocket. We've got a long way to go to make up for years of higher prices. Beating CPI by a bit while getting fewer hours won't cut it. No wonder workers and consumers are still grumpy.

Rodney

Got a question or comment? You can contact us at info@hsdent.com