

Macro Roundup Article

Headline: [Furman On Jobs Report](#)

Article Link: <https://twitter.com/jasonfurman/status/1598672792131489792>

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Tweet: [. @jasonfurman argues that the uptick in average hourly earnings should “dash hopes” for a soft landing: 6% growth is consistent with a 5% inflation rate.](#)

Summary: The biggest news in this release is large upward revisions in wage growth for September and October and a big number for November. This is the second time this year we've seen AHE revisions like this dashing the hopes that maybe nominal wages growth was cooling. You can't understate how huge this is. Last month the data showed average hourly earnings grew at a 3.8% annual rate (three-month average). With revisions and one month of data, this is now a 6% annual rate. I was allowing myself to get more hopeful about a soft landing (2nd time this year), but this pretty much dashed that hope. This pace of average hourly earnings growth is consistent with about 5% inflation. About the same or slightly worse than the story the ECI is telling.

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Primary Topic: Inflation

Topics: Inflation, Wages/Income

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