WEEKLY ECONOMIC DIGEST
JOINT ECONOMIC COMMITTEE UNITED STATES CONGRESS
SENATOR ROBERT P. CASEY, JR., CHAIRMAN

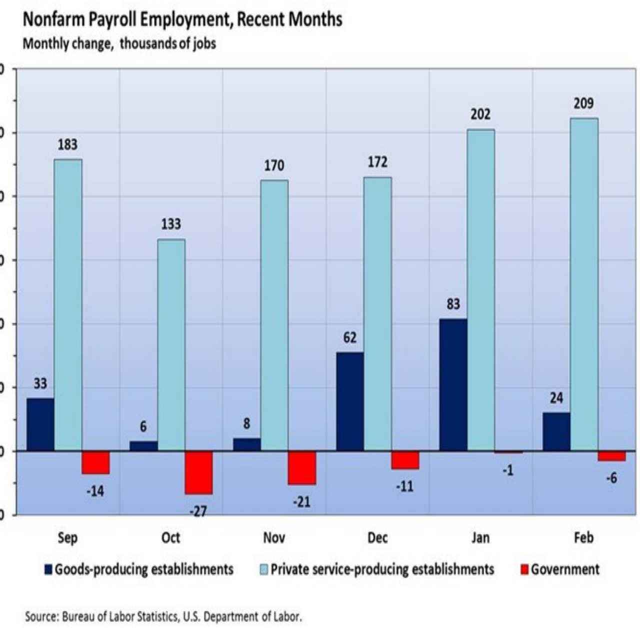
March 13, 2012

Payrolls Recorded Solid Gains in February

- Payroll employment rose solidly in February. Total nonfarm employment rose by 227,000 jobs last month following (revised) gains of 284,000 jobs in January and 223,000 jobs in December, according to the Labor Department's survey of establishment payrolls. Private nonfarm payrolls increased by 233,000 jobs in February, following gains of 285,000 jobs in January and 234,000 jobs in December. Private goods-producing establishments increased payrolls by 24,000 jobs in February while private service-providing establishments increased payrolls by 209,000 jobs (see top chart). Public payrolls declined by 6,000 jobs last month, mostly in the federal sector.

- Average weekly earnings rose last month. The average workweek for private nonfarm workers was unchanged at 34.5 hours in February. The average hourly earnings of private nonfarm workers rose to $23.31 per hour (up 0.1 percent). As a result, average weekly earnings rose by 0.1 percent last month, following gains of 0.1 percent in January and 0.4 percent in December.

- The unemployment rate was unchanged in February. Unemployment averaged 8.3 percent of the civilian labor force last month, the same as in January, according to estimates from the Labor Department's survey of households. The fraction of the population with a job rose to 58.6 percent in February, up 0.1 percentage point from January (see bottom chart). But that increase was offset in the calculation of unemployment by an increase in labor force participation (that is, the fraction of the population that is either working or actively seeking work) which increased by 0.2 percentage point to 63.9 percent in February.



THE WEEK AHEAD

DAY	SELECTED UPCOMING DATA RELEASES
Tuesday, Mar. 13	Advance Monthly Sales for Retail and Food Services (February) Manufacturing and Trade Inventories and Sales (January)
Wednesday, Mar. 14	U.S. International Transactions (Fourth quarter and annual 2011)
Thursday, Mar. 15	Producer Price Indexes (February)
Friday, Mar. 16	Consumer Price Index (February) Industrial Production and Capacity Utilization (February)

THE ECONOMY AT A GLANCE

KEY INDICATORS	MONTH			QUARTER			YEAR	
	Feb	Jan	Dec	2011 Q4	2011 Q3	2011 Q2	2011	2010
Economic Activity								
Real gross domestic product	—	—	—	3.0	1.8	1.3	1.7	3.0
Manufacturing production	n.a.	0.7	1.5	5.1	4.9	0.1	4.5	5.4
Factory utilization rate (percent of capacity)	n.a.	77.0	76.5	75.8	75.1	74.4	75.0	71.7
Civilian unemployment rate (percent of labor force)	8.3	8.3	8.5	8.7	9.1	9.1	8.9	9.6
Housing starts (thousands of units, annual rates)	n.a.	699	689	673	615	572	611	585
Light vehicle sales, domestic (millions of units, annual rates)	11.700	11.055	10.505	10.511	9.789	9.406	9.903	8.812
Retail & food service sales	n.a.	0.4	0	7.4	4.7	4.7	7.7	6.4
Real disposable personal income	n.a.	-0.1	0.3	1.4	0.7	-0.5	1.3	1.8
Personal saving rate (percent of disposable income)	n.a.	4.6	4.7	4.5	4.6	4.8	4.7	5.3
Inflation & Productivity								
CPI-U inflation	n.a.	0.2	0	1.3	3.1	4.4	3.1	1.6
Core CPI-U inflation	n.a.	0.2	0.1	1.9	2.5	2.4	1.7	1.0
Output per hour, nonfarm bus.	—	—	—	0.7	1.9	-0.1	0.7	4.1
Unit labor costs, nonfarm bus.	—	—	—	1.2	-2.1	-0.1	1.2	-2.0
Employment Cost Index	—	—	—	1.6	1.2	2.8	2.1	1.9

Sources: Bureau of Economic Analysis, U.S. Department of Commerce; Bureau of the Census, U.S. Department of Commerce; and Bureau of Labor Statistics, U.S. Department of Labor.

Notes: Except where otherwise noted, values in the table represent simple percent changes for monthly data and percent changes at annual rates for quarterly data. Core CPI-U inflation is the percentage change in the CPI-U excluding food and energy prices as reported by the Bureau of Labor Statistics. The Employment Cost Index covers all civilian workers and the quarterly change is measured from the last month of the previous quarter to the last month of the indicated quarter. 'n.a.' denotes that data are not yet available. '—' denotes that data are not available monthly.