The U.S. Economy by the Numbers – October 5, 2020

Job growth/loss
- Nonfarm jobs increased by 661K in September but even after these gains there are still 10.7 million fewer jobs than in February.
- At the September rate of job creation, it would take another 17 months to return to pre-pandemic employment levels.
- Employment in food services and drinking places remains down by 2.3 million and retail industry employment is 483K lower than in February.

New unemployment claims
- DOL reported 787K new regular unemployment claims for the week ending September 26 which is more than four and a half times the number of claims filed during the comparable week in 2019. Nearly 27 million Americans currently are receiving unemployment benefits.

Gross Domestic Product
- Real GDP decreased at annualized rate of 31.4% in Q2 2020, the worst decline in U.S. history.
- This reflected a sharp drop in personal consumption, including large declines in spending on healthcare, clothing and footwear and declines in investment.

Wages and income
- Median weekly earnings for full-time workers in the second quarter rose 10.4% from last year, 10% higher with inflation taken into account.

The unemployment rate
- BLS reports that the unemployment rate fell to 7.9% in September, but it remains more than twice as high as the pre-pandemic low.
- This decrease was due in large part to the fact that almost 700K Americans left the labor force and were no longer counted as unemployed.
- The unemployment rate for Blacks was 12.1%, almost double the 7% rate for Whites.
- The unemployment rate for Asians was 8.9% and changed little for Hispanics at 10.3%.
- The number of long-term unemployed (those jobless for 27 weeks or more) grew by 781K, the largest monthly increase on record. Permanent job losses also increased by 345K to 3.8 million.

Federal debt
- CBO forecasts federal debt held by the public will exceed 100 percent of GDP in 2021, 107 percent of GDP by 2023 and 195 percent of GDP by 2050.
- The deficit in 2021 is projected to be 8.6 percent of GDP. The deficit as a share of GDP has been larger than that only twice between 1946 and 2019.

Inflation
- Core PCE, excluding food and energy, increased by around 1.6% over the past 12 months.