

Economic Highlights

Employment

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Real Estate

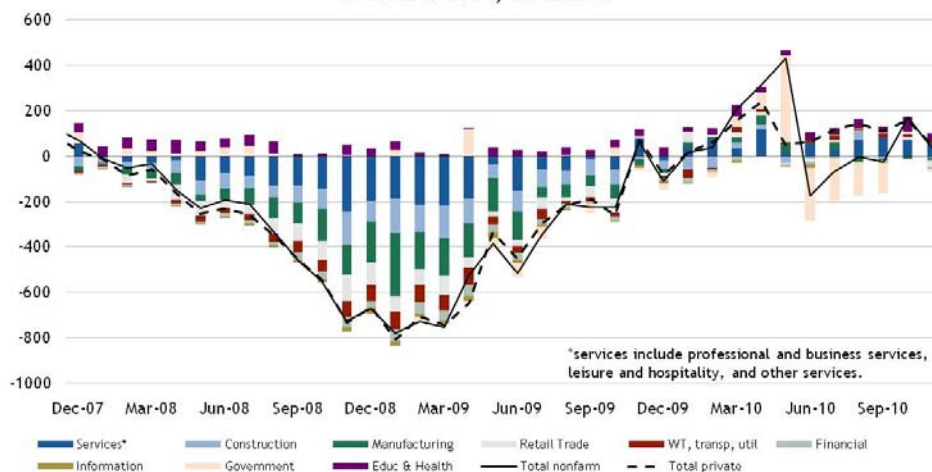
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Employment

Summary

Nonfarm payrolls added 39,000 jobs in November, and private payrolls increased by 50,000.

Contributions to Change in Nonfarm Payroll Employment November 2010, thousands

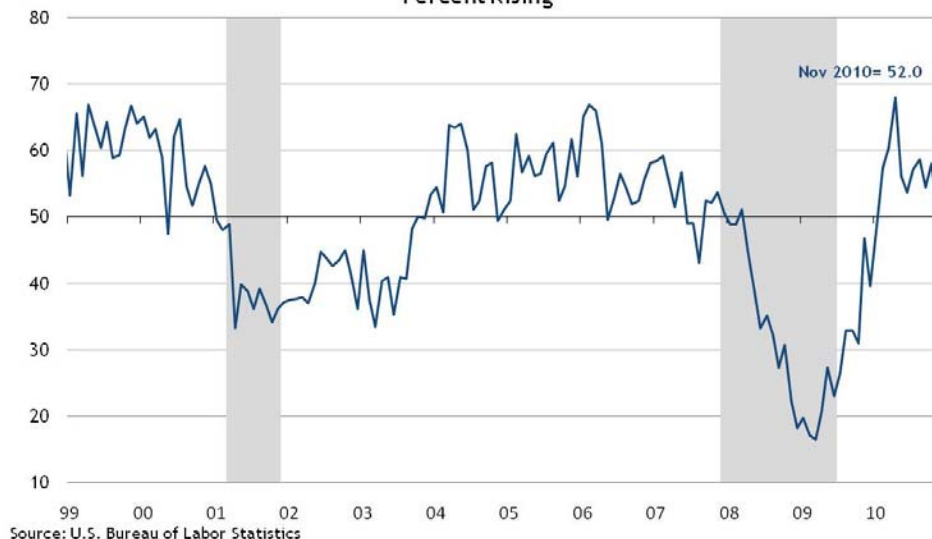


Source: U.S. Bureau of Labor Statistics

- Nonfarm payroll employment increased by 39,000, falling short of an expected 145,000 increase. Nonfarm payrolls for September and October were revised up by a total of 38,000.
- Private payrolls rose 50,000 in November, again less than expectations of a 155,000 increase.
- Within professional and business services, **temporary help services** continued to increase in November for the fourth consecutive month, adding 40,000 jobs. **Health care services** employment added 19,000 jobs in November.
- Retail trade, however, shed 28,000 jobs in November.
- Meanwhile, payrolls in **manufacturing** and **construction** were little changed in November, similar to the past few months.

Job gains were less broad based in November than in previous months.

Diffusion Index of Private Nonfarm Payrolls Percent Rising



- The **diffusion index**, which measures the percent of industries increasing employment, fell from 58 to 52 in November, the lowest level since January 2010.

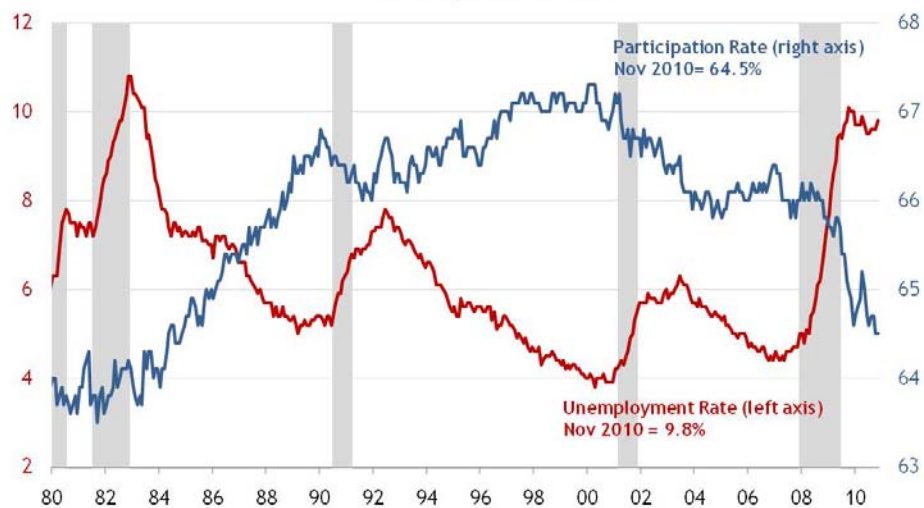
Employment

Summary

The unemployment rate rose to 9.8% in November, and the labor force participation rate remains the lowest in more than 20 years.

Unemployment and Labor Force Participation Rates

Percent, November 2010



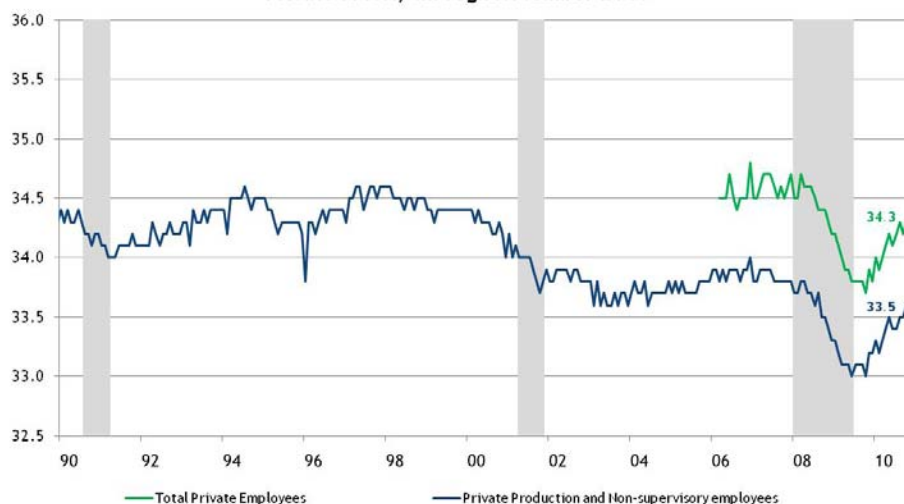
Source: U.S. Bureau of Labor Statistics

- The unemployment rate edged up to 9.8% in November after remaining at 9.6% the previous three months. This increase reflects a rise in the number of **unemployed persons** from 14.8 million to 15.1 million in November.
- The labor force participation rate remained at 64.5% in November, the lowest rate since 1984.
- In addition, the average duration of unemployment inched down to 33.8 weeks in November, below the historical high of 35.2 weeks in June 2010.

Average weekly hours were unchanged in November, and average hourly earnings increased slightly.

Average Weekly Hours

Private sector, through November 2010



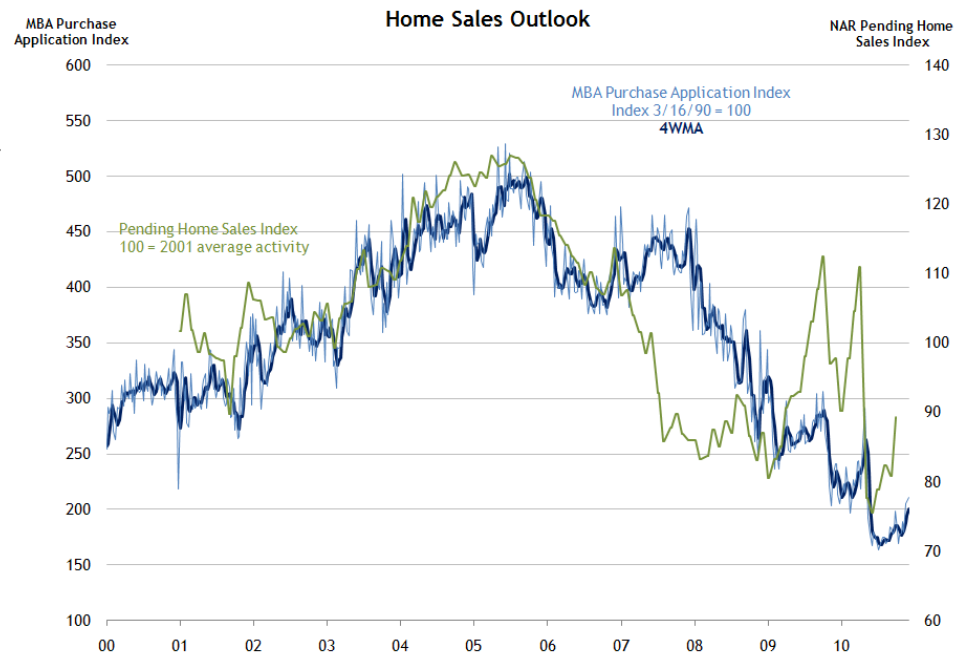
Source: U.S. Bureau of Labor Statistics

Assumes recession ended June 2009

- Average weekly hours for all private employees remained at 34.3 in November.
- Average hourly earnings for all employees increased by 1 cent to \$22.75 over the month and are up 1.6% on a year-over-year basis.

Summary

The National Association of Realtors reported that the pending home sales index rebounded in October while the Mortgage Bankers Association's (MBA) weekly mortgage application survey indicated that purchase applications continued to trend up through Dec. 3, 2010. However, indexes indicate lower levels of activity than this past spring and a year earlier.



Source: National Association of Realtors and MBA: Weekly Mortgage Applications Survey

- For the week ending Dec. 3, 2010, the MBA purchase application index moved higher, up 1.8% from the previous week. This increase was the third consecutive gain.
- For the same period, the refinance index decreased 1.4%, marking the fourth consecutive weekly decline. Refinance activity has fallen as mortgage rates have moved higher in recent weeks.