



The Daily Dish

April 4th Edition

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Jobs numbers will be out later this morning. Last month's report showed 175,000 jobs added and a slight 0.1 percent uptick in unemployment. The administration is hoping for better numbers than January and February where weather was blamed for slow growth. Doug Holtz-Eakin has a preview of what he expects below and here is a quick recap of key economic indicators since last month's report:

- The price index of U.S. imports increased 0.9 percent in February;
- The Producer Price Index for final demand declined 0.1 percent in February;
- The Consumer Price Index increased 0.1 percent in February;
- Real average hourly earnings rose 3 cents from January to February;
- Orders for durable goods decreased 2.2 percent;
- Consumer Confidence index stands at 82.3;
- New home sales decreased 3.3 percent in February;
- ISM gauge of non-manufactured goods fell to 53.1 percent;
- ISM manufacturing index rose to 53.7 percent;
- ADP reported private-sector employment up by 191,000 jobs in March.

Eakinomics: March Jobs Report

Attention today will be focused on the Labor Department and its release of the March data for payroll employment and household unemployment at 8:30. Forecasting the data has been dicey in recent months, and this month does not appear any easier.

Will employment growth bounce up after a tough stretch of bad weather? Some indicators point in this direction. Yesterday, the ISM Non-Manufacturing Employment Index was up strongly — 53.6 in March versus 47.5 in February. Also, new claims for unemployment insurance are down slightly and layoffs were reported by Challenger, Gray, and Christmas to have declined by just over 7 percent in March.

Still, not all the news is positive. The ISM Manufacturing Employment index dipped a bit from 52.3 in February to 51.1 in March. Three regional employment indexes, the Chicago Purchasing Managers Index, the Empire State Employment, and the Philadelphia Fed survey were down, and in some cases down sharply.

The consensus expectation is for roughly 200,000 new jobs and a dip in the unemployment rate from 6.7 percent to 6.6 percent. If forced to make a call, my instinct is that the data will disappoint modestly with jobs coming in at 185,000 and the unemployment rate unchanged.