



Global Macro Flash

US Employment Indicators | March 12th, 2025

Tariff Policies and Their Potential Impact on Future the U.S. Job Market

Previous Data

| Period | UR | NFP |
|----------|------|------|
| Jan 2025 | 4.0% | 125K |
| Dec 2024 | 4.1% | 323K |
| Nov 2024 | 4.2% | 261K |

Source : Tradingeconomics

Initial Jobless Claims

| Period | Actual | WoW |
|------------|--------|--------|
| 1W Mar 25 | 221K | -8.68% |
| 4 W Feb 25 | 242K | 10.00% |
| 3W Feb 25 | 220K | 2.80% |

Source : Tradingeconomics

JOTL Job Openings

| Period | Actual (million) | MoM |
|----------|------------------|--------|
| Jan 2025 | 7.74 | 3.06% |
| Dec 2024 | 7.51 | -6.48% |
| Nov 2024 | 8.03 | 8.96% |

Source : Tradingeconomics

JOTL Job Quit

| Period | Actual (million) | Rate |
|----------|------------------|------|
| Jan 2025 | 3.27 | 2.1% |
| Dec 2024 | 3.10 | 1.9% |
| Nov 2024 | 3.03 | 1.9% |

Source : Tradingeconomics

Wages

| Period | Actual (US\$/Hr) | MoM |
|----------|------------------|-------|
| Feb 2025 | 30.89 | 0.37% |
| Jan 2025 | 30.80 | 0.42% |
| Dec 2024 | 30.67 | 0.31% |

Source : Tradingeconomics

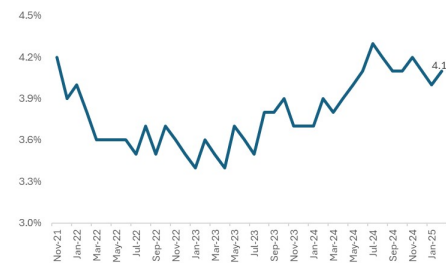
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| Period | Unemployment Rate (UR) | Nonfarm Payrolls (NFP) | Avg. Hourly Earning, MoM | Avg. Hourly Earning, YoY |
|----------|------------------------|------------------------|--------------------------|--------------------------|
| Feb 2025 | 4.1% | 151K | 0.3% | 4.0% |

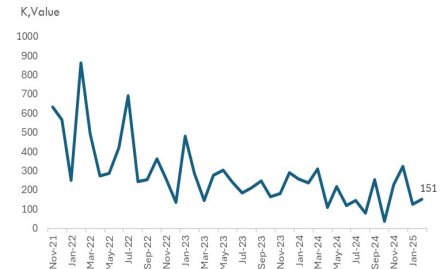
Source : Tradingeconomics

Figure 1. Unemployment Rate



Source : Phintraco Sekuritas Research | Tradingeconomics

Figure 2. Nonfarm Payrolls (NFP)



Source : Phintraco Sekuritas Research | Tradingeconomics

The US labor market conditions in February 2025 were favorable, marked by three labor data indicators: unemployment rate, nonfarm payrolls, and wage growth rate. This data indicates that the US economy is improving despite The Fed's tendency to maintain a hawkish stance since the last 25bps cut on December 18, 2024.

The unemployment rate slightly increased to 4.1% in February 2025 from 4.0% in January 2025 (**Figure 1**) and above market expectations of 4%. The number of unemployed individuals increased by 203,000 to 7.05 million, while the number of workers decreased by 588,000 to 163.31 million. It includes discouraged workers and those working part-time for economic reasons, which slightly increased to 8.0% from 7.5%.

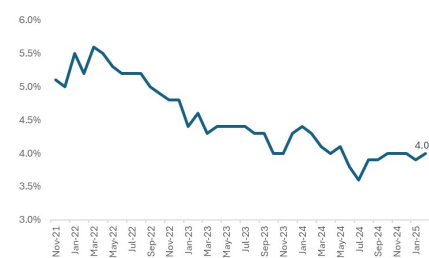
Nonfarm Payrolls (NFP) increased by 151K in February 2025 from the revised 125K in January 2025 (**Figure 2**). The highest job availability was in the health sector 52K, followed by financial services 21K, and transportation and warehousing 18K. Meanwhile, US government employment decreased by 10K due to workforce reduction policies implemented under Department of Government Efficiency (DOGE).

The average hourly wage increase of 9 cents in the US private non-agricultural sector in November 2024, reaching US\$30.89, indicates that the labor market remains relatively strong. The 4.0% YoY wage growth represents a significant improvement from July 2024's lowest decline 3.6% YoY in the last 4 years (**Figure 3**).

Furthermore, job openings in the United States increased by 232K to 7.74 million in January 2025 from the revised 7.51 million in December 2024, exceeding market expectations of 7.63 million (**Figure 4**). Significant increases were led by the retail trade sector, which had 143K, followed by finance and insurance, which had 77K.

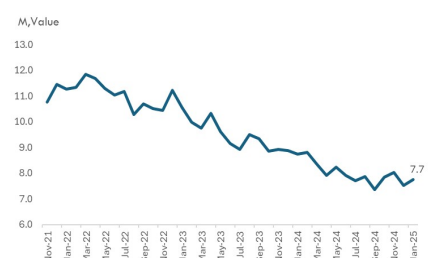
We anticipate that the implementation tariff policies and US civil servant efficiency programs in the future will affect the labor market. It is because tariffs increase production costs, which may cause companies to delay or even implement layoffs that will impact the future US economy.

Figure 3. Average Hourly Earning (YoY)



Source : Phintraco Sekuritas Research | Tradingeconomics

Figure 4. JOTL Job Openings



Source : Phintraco Sekuritas Research | Tradingeconomics