

Summary: Although [the global economy may be headed for a recession](#), the U.S. labor market remains resilient. The most recent jobs report was good, with total nonfarm payrolls increasing by 261,000 from September to October. Initial claims for unemployment insurance held steady at a low level, but announced job cuts increased somewhat. The Federal Reserve increased its target range for interest rates by 0.75 percent, as expected.

Federal Government Indicators and Reports

Bureau of Labor Statistics

Tuesday, [Job Openings and Labor Turnover](#): “The number of job openings increased to 10.7 million on the last business day of September. . . . while total separations decreased to 5.7 million.”

Thursday, [Productivity and Costs](#): “Nonfarm business sector labor productivity increased 0.3 percent in the third quarter of 2022 . . . as output increased 2.8 percent and hours worked increased 2.4 percent.”

Friday, [Employment Situation](#): “Total nonfarm payroll employment increased by 261,000 in October, and the unemployment rate rose to 3.7 percent. . . . Notable job gains occurred in health care, professional and technical services, and manufacturing.”

Chart 1. Unemployment rate, seasonally adjusted, October 2019 – October 2022

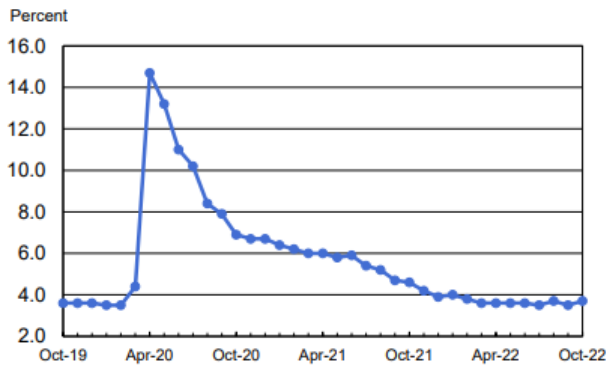
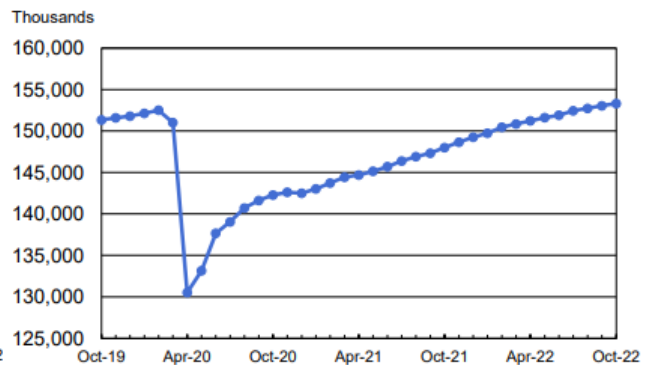


Chart 2. Nonfarm payroll employment, seasonally adjusted, October 2019 – October 2022



U.S. Census

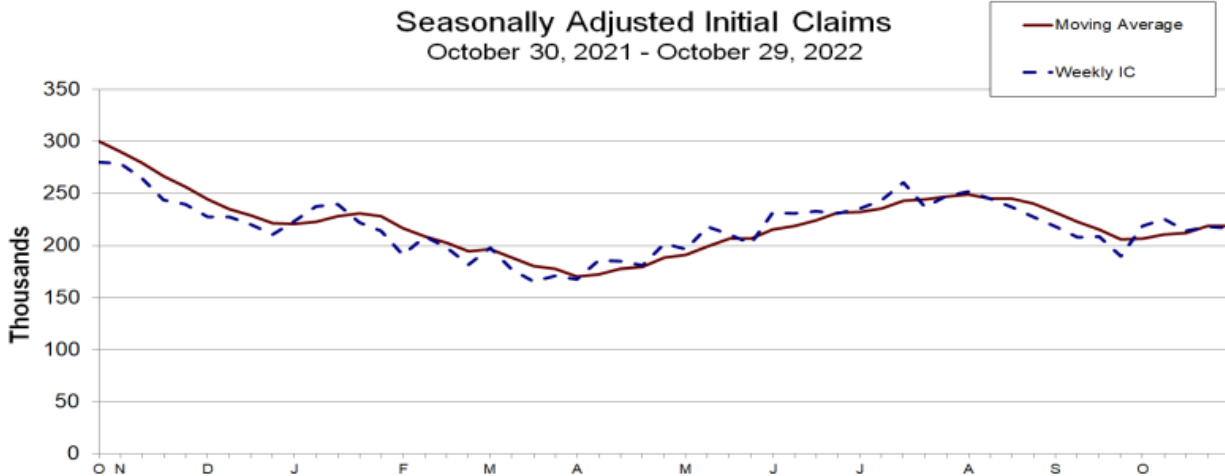
Tuesday, [Construction Spending](#): “Construction spending during September 2022 was estimated at a seasonally adjusted annual rate of \$1,811.1 billion, 0.2 percent above the revised August estimate of \$1,807.0 billion.”

Thursday, [International Trade](#): “The goods and services deficit was \$73.3 billion in September, up \$7.6 billion from \$65.7 billion in August, revised.”

Thursday, [Factory Orders](#): “New orders for manufactured goods in September, up eleven of the last twelve months, increased \$1.5 billion or 0.3 percent to \$551.0 billion.”

Department of Labor

Thursday, [Initial Claims](#): “In the week ending October 29, the advance figure for seasonally adjusted initial claims was 217,000, a decrease of 1,000 from the previous week's revised level.”



Economic Indicators and Confidence

Institute for Supply Management

Tuesday, [Manufacturing Purchasing Managers' Index \(PMI\)](#): The index “registered 50.2 percent, 0.7 percentage point lower than the 50.9 percent recorded in September. . . . The U.S. manufacturing sector continues to expand, but at the lowest rate since the coronavirus pandemic recovery began.”

Thursday, [Services PMI](#): “Economic activity in the services sector grew in October for the 29th month in a row—with the Services PMI registering 54.4 percent.”

S&P Global

Tuesday, [Manufacturing PMI](#): “U.S. manufacturing firms signaled only a slight improvement in operating conditions during October.” The index decreased from 52.0 to 50.4 from September to October.

Thursday, [Services PMI](#): “Service sector firms in the U.S. registered a sharper contraction in business activity at the start of the fourth quarter.” The index decreased from 49.3 to 47.8 from September to October.

Thursday, [Sector PMI](#): “Financials has been the worst performing category in each month since June. . . . The Technology sector was the fastest-growing area.”

ADP

Wednesday, [Private Sector Employment](#): “Private sector employment increased by 239,000 jobs in October and annual pay was up 7.7 percent year-over-year.” Nela Richardson, chief economist at ADP, described this as “a really strong number given the maturity of the economic recovery but the hiring was not broad-based. . . . Goods producers, which are sensitive to interest rates, are pulling back.”

Federal Reserve

Wednesday, [Interest Rate Decision](#): The Fed increased its target range for interest rates by 0.75 percent. “The Committee anticipates that ongoing increases in the target range will be appropriate in order to attain a stance of monetary policy that is sufficiently restrictive to return inflation to 2 percent over time.”

Challenger, Gray, & Christmas, Inc.

Thursday, [Job Cuts](#): “U.S.-based employers announced 33,843 job cuts in October a 13 percent increase from the 29,989 cuts in September. It is 48 percent higher than the 22,822 cuts announced in the same month last year.”

Mortgages and Housing Markets

Mortgage Bankers Association

Wednesday, [Mortgage Applications](#): “Mortgage applications decreased 0.5 percent from one week earlier.” Joel Kan, vice president and deputy chief economist at the Mortgage Bankers Association, noted that “elevated rates continue to put pressure on both purchase and refinance activity and have added to the ongoing affordability challenges impacting the broader housing market.”