



Macroeconomic Indicators

Unemployment Rate

Definition

All persons who are without jobs and are actively seeking and available to work are included among the unemployed, irrespective of whether they are eligible for unemployment insurance benefits. (People on temporary layoff are included even if they do not actively seek work.) The unemployment data is captured by the household survey, which is a sample survey of about 60,000 eligible households. For purposes of the household survey, unemployed persons are those who had no employment during the reference week (calendar week that contains the 12th of the month).

Who Releases the Indicator?

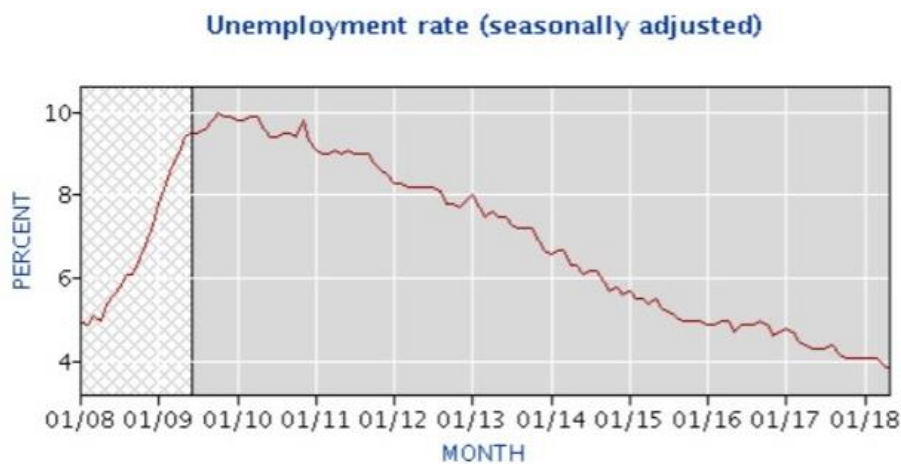
Bureau of Labor Statistics (BLS), U.S. Department of Labor

Available to the public: <https://www.bls.gov/news.release/pdf/empsit.pdf>.

What Does the Indicator Tell Investors?

The unemployment rate and other employment indicators, like nonfarm payrolls, are key indicators for gauging the current state of the economy. The change in unemployment rate provides insights into the future direction of the economy. A rising unemployment rate indicates a contracting economy, while a falling unemployment rate is a sign that the economy is strengthening. A low unemployment rate is generally bullish for the stock market, because it is indicative that the economy is strong.

The chart below shows the unemployment rate since the start of the Great Recession.



Note: Cross-hatched area represents recession.

Source: BLS, Current Population Survey

**Type of Indicator**

The unemployment rate is a lagging economic indicator.

How Often Is the Indicator Released?

Once a month, generally on the first Friday of the month. The reference period used is the calendar week that contains the 12th of the month.

Is the Indicator Revised?

Yes.