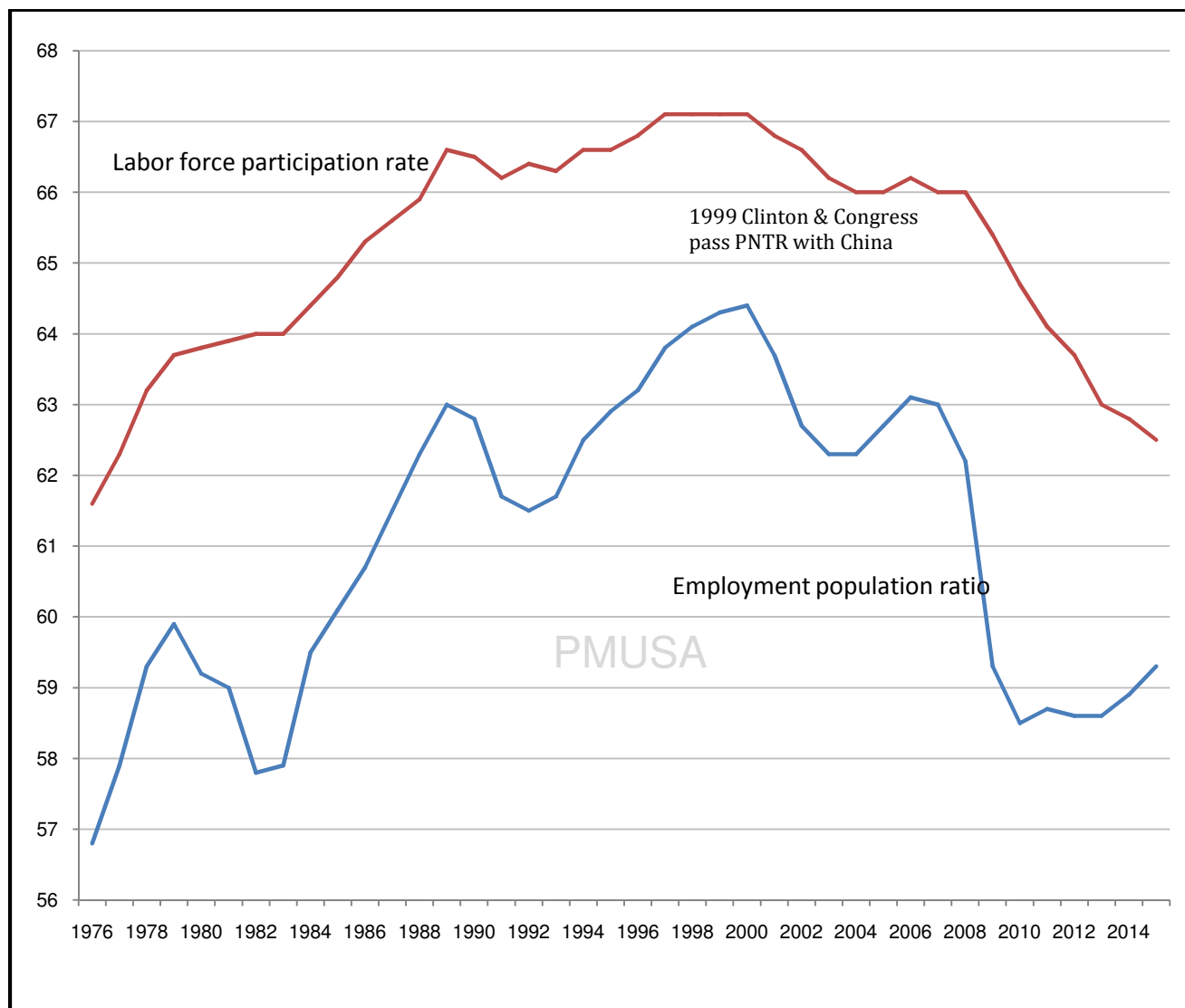


EMPLOYMENT POPULATION RATIO & LABOR FORCE PARTICIPATION RATE 1976-2015 (PERCENT)



(Source: U.S. Bureau of Labor Statistics)

2017 (% LFPR|EPR)

Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
62.3											
59.0											

The labor force participation rate (LFPR) measures the percent of the U.S. labor force willing and able to work who are employed. The employment population ratio (EPR) measures the percent of Americans of working age population who are employed. This is not a good looking chart. The correlation between the two labor market indicators is obvious as should be the inflection point around 1999. In 1999 President Clinton and the Congress proudly passed into law PNTR; permanent normal trade relations with China. They claimed it would create jobs and make America stronger. As 2016 begins America's labor force is confronting challenges last seen in the terrible decade of the 1970's. We can expect positive cyclical economic pressures in 2015 to stabilize both metrics at current low levels, though there is no indication in Washington, DC there are any policy initiatives being discussed to reverse this trend. Risks overseas from Asia and the euro zone could easily further complicate the labor outlook in the U.S. *LFPR and EPR data is released monthly on the first Friday of each month and come from the Employment Situation Report.*