



U6 Fix

Jobs Slowdown Adds to Fed Rate Debate

FRED ASHTON | AUGUST 2, 2024

Job growth in July slowed more than expected as employers added just 114,000 new workers to their payrolls. Data for May and June were downwardly revised to show 29,000 fewer jobs created during those months than previously reported. The unemployment rate jumped to 4.3 percent, the highest level since October 2021. At the FOMC meeting that concluded Wednesday, the Fed Chairman Jerome Powell teed up a possible September rate cut as both inflation and the labor market have cooled. While this is only a single weak report, it could give the Fed the ammunition it needs to begin its easing cycle.