

ShadowStats Flash Update No. 5

Major Downside Benchmark Revisions Announced for Payroll Employment

August 21, 2019

**Payroll Employment Hit by 501,000 (-501,000) Downside Preliminary
Benchmark Revision for Year-Ended March 2019**

**Final 2019 Benchmarking Estimate Should Be Even Worse;
Publication Due With January 2020 Payrolls**

**Previously Estimated Jobs Gain for Full Year Ended March 2019 Was
Reduced by 20% (-20%) from 2.496 Million to 1.995 Million**

**Year-to-Year Payroll Growth Revised from 1.69% to 1.35%,
Weakest Since Great Recession**

**Negative Benchmarking Suggested Further FOMC Easing and
Weakening GDP in Revision**

Note to Subscribers: Single-page **Flash Update No. 5** headlines key elements of the preliminary annual benchmark revisions to Payroll Employment, reported today, August 21st, by the [Bureau of Labor Statistics](#). Full details follow in pending in **Commentary No. 985**.

Of particular note, strong payrolls (pre-benchmarking) were mentioned in today's release of the July 31st FOMC Meeting Minutes, as a factor in limiting the July 31st rate cut to 0.25%. The new jobs data also promise downside revisions to First-Quarter 2019 GDP (in next year's GDP benchmarking), helping to lock in the onset of the current, unfolding recession, discussed in [Flash Update No. 4](#).
