

## Posted Job Openings Spike to Record High before Vacation Boom

The Job Openings and Labor Turnover Survey (JOLTS) continues to shred the argument that jobs are slow to return as the economy reopens. The survey for April showed 9.3 million available positions, obliterating the previous high of 8.3 million from just a month earlier. Prior to March, monthly openings had never topped the eight million mark. The leisure and hospitality sector posted the biggest month-over month gain, increasing job posts by 391k to 1.52 million in April. The number of openings for manufacturing jobs has essentially doubled over the last six months to 851k, although factory managers have long complained of the lack of skilled workers. It's the same story in the construction industry where job postings have risen by over +30% this year to 357k. State and local government postings are also on the rise, up +33% over the past two months to 764k.

The number of hires reported in April rose slightly to 6.1 million. The gap between available jobs and hirings was the widest on record. Perhaps more telling is a "quits rate" of 2.7%, the highest in series history. This rate is considered a reliable indicator of worker confidence as voluntary quits signal expectations that another job can easily be found. It may also indicate that some stay-at-home workers would prefer to resign or retire rather than return to the office.

In other related news from this morning, the highest percentage of small business owners in 40 years of survey history reported they'd increased selling prices in May. The monthly survey from the National Federation of Independent Business showed that rising material and labor costs are forcing the price increase. Small business owners experienced extreme difficulty in hiring workers with a record 48% of employers unable to fill open positions last month.

The employment picture is a mess, with the Fed and the new Administration hyper-focused on bringing back lost jobs at the same time the number of open positions continues to climb. The summer reopening has promised even more job postings along with headaches for employers anxious to ramp up business. With nearly half of U.S. states announcing they'll opt out of federal unemployment benefit programs by June or early July, the number of job seekers is expected to rise. However, the anticipated surge in demand for travel, lodging, restaurants, bars and other leisure services is likely to overwhelm the supply of workers for the next few months. Expect continued price pressures and maddening travel as the summer heats up.

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## Market Indications as of 1:45 P.M. Central Time

DOW	Down 1 34,629 (HIGH: 34,778)
NASDAQ	Up 39 to 13,920 (HIGH: 14,139)
S&P 500	Up 3 to 4,230 (HIGH: 4,233)
1-Yr T-bill	current yield 0.04%; opening yield 0.04%
2-Yr T-note	current yield 0.15%; opening yield 0.16%
3-Yr T-note	current yield 0.30%; opening yield 0.31%
5-Yr T-note	current yield 0.76%; opening yield 0.79%
10-Yr T-note	current yield 1.53%; opening yield 1.57%
30-Yr T-bond	current yield 2.21%; opening yield 2.25%

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