

RELEASE IN FULL

From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Tuesday, May 8, 2012 12:28 AM
To: H
Subject: Fw: US Economy

FYI

----- Original Message -----

From: Hormats, Robert D
Sent: Monday, May 07, 2012 02:35 PM
To: Sullivan, Jacob J
Subject: US Economy

Jake:

On the assumption that S would like a bit of background on the US economy from time to time, I am sending this along. It pretty well summarizes the current state of affairs-- and why the jobs situation is so weak.

The United States had another month of disappointing job growth in April, the Labor Department said Friday. The nation's employers added 115,000 positions on net, after adding 154,000 in March. April's job growth was less than what economists had been predicting. The unemployment rate ticked down to 8.1 percent in April, from 8.2 percent, partly because workers dropped out of the labor force.

Government job losses totaling 15,000 continued to weigh on the economy, tugging down job growth as state and local governments grapple with strained budgets. Private companies added 130,000 jobs, with professional and business services, retail trade, and health care doing the most hiring. Such job growth is not nearly fast enough to recover the losses from the Great Recession and its aftermath. Today the United States economy is producing even more goods and services than it did when the recession officially began in December 2007, but with about five million fewer workers.

Bob