



Economic and Market Insights

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Weak Job Growth Took Wall Street by Surprise

U.S. employers have slowed hiring new workers over the last two months and wages fell in September.

The weak job growth took Wall Street by surprise. Payrolls outside of farming rose by 142,000 last month and August figures were revised sharply lower to show only 136,000 jobs added that month. Economists had expected job growth of 203,000 in September.

Federal Reserve (Fed) officials have been keeping a close eye on the jobs number for clues about when it would be appropriate to raise interest rates for the first time in more than nine years. The unemployment rate has been declining steadily, but that has come in significant part due to the lowest labor force participation rate in a generation.

Key takeaways this week:

- The news raises new doubts the economy is strong enough for the Fed to raise interest rates by the end of this year
- Until the Fed moves on raising rates, the market will continue to experience a higher than normal level of volatility
- Events happening in the rest of the world are affecting the U.S. economy

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