

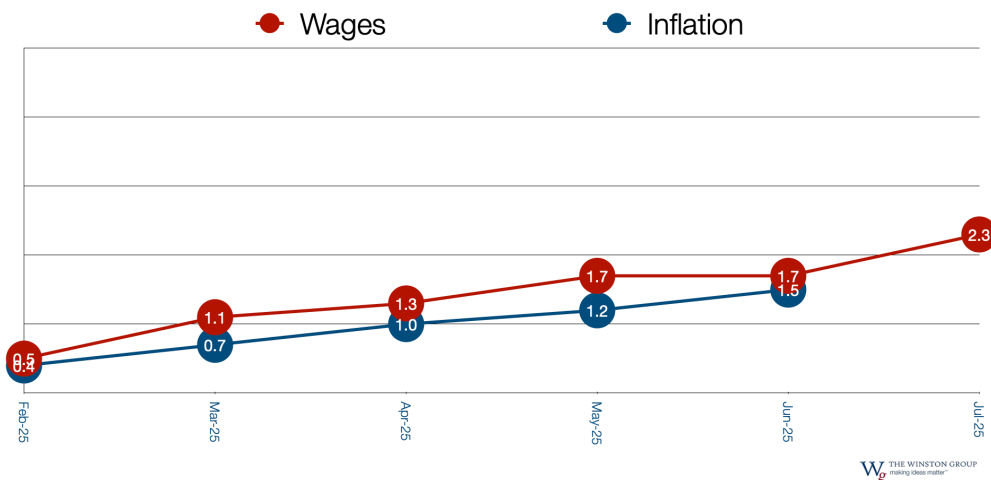
The New Jobs and Wages Numbers

The new jobs report came out this morning along with new hourly and weekly earnings. In this there is both good and bad news, but both set up the next key economic measurement — the Consumer Price Index on August 12.

First, the good news. Year over year weekly wages improved by 4.2%. This was an improvement from June (3.5%), and is the best result since President Trump took office. Overall, weekly wages have increased 2.3% since January. It had seemed to plateau in 1.7% and had allowed inflation to close in on those gains, as prices had risen 1.5% in June since January.

Trump 47: Presidential Inflation Rate Versus Presidential Wage Level

Percent Prices and Weekly Wages Have Risen Since Inauguration Month



While the weekly wage increase certainly looks positive, it will have to be put in context of the August 12 CPI release. The Personal Consumer Expenditure year over year inflation numbers released on Thursday showed a similar pattern to the CPI. It rose from from 2.2% in April to 2.6% in June, a 0.4 increase. Over the same time period, the CPI went from 2.3% to 2.7%, also a 0.4% increase. In terms of the 2026 election, the key factor will be how much better voters feel they can handle the cost of living, and it is important that wage growth significantly outpace inflation.

The second key point was not good news, and that dealt with jobs. The unemployment rate basically stayed the same, going from 4.1% in June to 4.2% in July. However, in July 73,000 jobs were created, which was well under what was expected. Additionally, the preliminary number for May of 144,000 was revised downward to 19,000. The preliminary June number went from 147,000 to 14,000. Overall the revisions for both months amounted to -258,000 jobs, a major reduction. This, combined with the lower than expectations for July, was not good news. The only positive from these revisions is that this should encourage the Fed to rethink interest rates.

For more on what Republicans need to promote their economic policies and how they specifically address families' cost of living, see David's latest Roll Call column [This is the No. 1 job for Republicans this August.](#)

Have a good weekend.

David & Myra