



Economics Group

Mark Vitner, Senior Economist
mark.vitner@wellsfargo.com • (704) 410-3277
Charles Dougherty, Economist
charles.dougherty@wellsfargo.com • (704) 410-6542

Payrolls Continue to Recover in Texas

Total payrolls rose by 31,400 in July. A jump in government hiring masked a contraction in private payrolls, yet a moderation in COVID-19 case growth should help get hiring get back on track. The jobless rate fell to 8.0%.

A Modest Gain for the Lone Star Economy

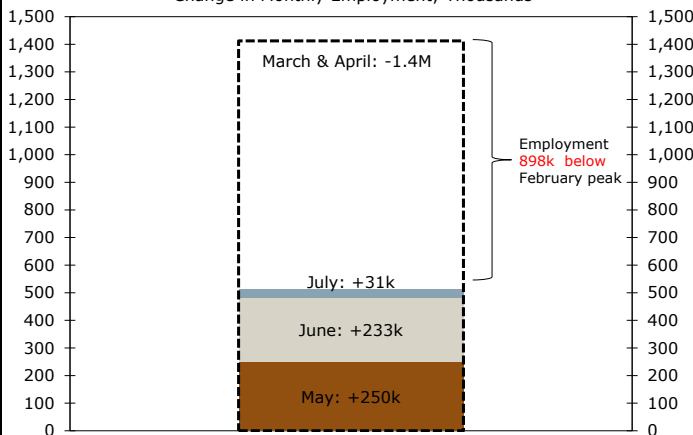
- Total nonfarm payrolls rose by 31,400 during the month. That said, the gain was flattered by a 43,700 jump in government payrolls. Total private payrolls actually declined by 12,300. The summer surge in COVID-19 cases and disarray in the energy industry likely weighed heavily on hiring. Leisure and hospitality payrolls fell by 21.0K, while mining/logging (including energy extraction), construction and manufacturing also contracted.

COVID-19 Appears to Be Subsiding

- Professional services (+16.4K) and private education/healthcare and social service (+10.3K) posted sizable gains. The jobless rate fell to 8.0% during July, down from 8.4% in June.
- Private sector payrolls should bounce back. Jobless claims, which spiked during July's survey week, have since trended lower. New COVID-19 cases have begun to subside as well, which should boost economic engagement and help hiring get back on track.

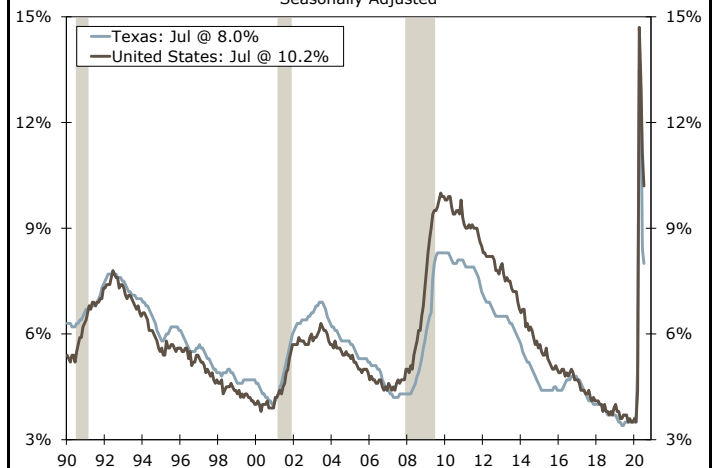
Tracking the Texas Recovery

Change in Monthly Employment; Thousands

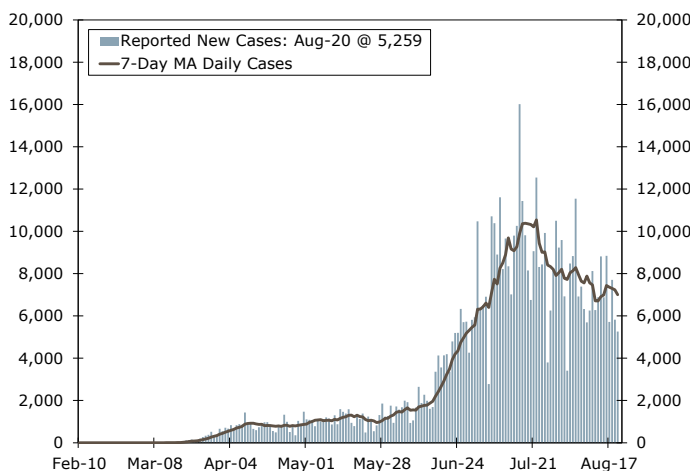


Texas Unemployment Rate

Seasonally Adjusted

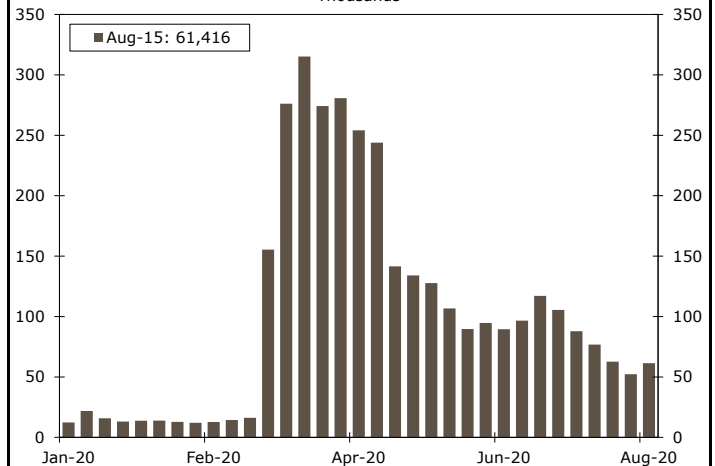


Texas COVID-19 Cases



Texas Initial Jobless Claims

Thousands



Wells Fargo Securities Economics Group

Jay H. Bryson, Ph.D.	Chief Economist	(704) 410-3274	jay.bryson@wellsfargo.com
Mark Vitner	Senior Economist	(704) 410-3277	mark.vitner@wellsfargo.com
Sam Bullard	Senior Economist	(704) 410-3280	sam.bullard@wellsfargo.com
Nick Bennenbroek	International Economist	(212) 214-5636	nicholas.bennenbroek@wellsfargo.com
Tim Quinlan	Senior Economist	(704) 410-3283	tim.quinlan@wellsfargo.com
Azhar Iqbal	Econometrician	(212) 214-2029	azhar.iqbal@wellsfargo.com
Sarah House	Senior Economist	(704) 410-3282	sarah.house@wellsfargo.com
Charlie Dougherty	Economist	(704) 410-6542	charles.dougherty@wellsfargo.com
Michael Pugliese	Economist	(212) 214-5058	michael.d.pugliese@wellsfargo.com
Brendan McKenna	International Economist	(212) 214-5637	brendan.mckenna@wellsfargo.com
Shannon Seery	Economist	(704) 410-1681	shannon.seery@wellsfargo.com
Jen Licis	Economic Analyst	(704) 410-1309	jennifer.licis@wellsfargo.com
Hop Mathews	Economic Analyst	(704) 383-5312	hop.mathews@wellsfargo.com
Coren Burton	Administrative Assistant	(704) 410-6010	coren.burton@wellsfargo.com

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