
Weekly Market Flash

The Data Fog Envelops Jobs, Prices...and Tariffs

November 7, 2025

This has been a week, one full of news related to politics, the economy and much else in between. But it is also a week in which absences loom large. Today is supposed to be Jobs Friday, when the Bureau of Labor Statistics publishes its monthly report on the state of the US labor market, and we get to chew over the raw total of nonfarm payrolls created, the unemployment rate, labor force participation, number of people with part-time jobs who would rather work full time...all the fun stuff that helps us figure out where the economy is today and prognosticate about where it might be headed.

No Workers, No Data

But no, for the second month in a row, Jobs Friday is not to be. The halls of the BLS are empty and the desks where analysts would be beaver away on the many tasks leading to publication on the first Friday of the month are unoccupied. Those same analysts should also be getting their numbers together ahead of next week's scheduled Consumer Price Index report, but it is far likelier than not that next Thursday will come and go with no new insights about consumer prices. This marathon government shutdown remains in effect.

Now, earlier this week there were at least a few vibes emanating from the Capitol suggesting that a solution might be at hand, with little bipartisan clusters of Senators hashing out this and that to see if there could be a path to reopening. Then Tuesday night happened. In electoral contests everywhere, from the marquee races in Virginia, New Jersey and New York City to public utility boards in Georgia, county executive seats in Pennsylvania and legislative seats in Mississippi (go figure), Democrats pulled off wins by in many cases substantially bigger margins than expected. The political fallout is still being processed by both sides, but in the meantime, any progress on ending the shutdown seems to be stymied.

No Data, No Dot Plots?

We're just a little over a month away from the next Fed meeting on interest rates, one replete with the much-anticipated Summary Economic Projections – the “dot plots” in market vernacular – and one wonders what purpose those dots are going to serve if not derived from up-to-date data on the two most important macroeconomic insights for the Fed: jobs and prices. The data fog has already had an impact on the central bank's customarily smooth decision-making process, with noted dissents from the majority vote in each of the last three FOMC sessions (in the last session, those dissents went both ways).

The division is likely to intensify for as long as the fog remains. In the absence of government analysis from the BLS and its sister agency, the Bureau of Economic Analysis (which is responsible for quarterly GDP and productivity data as well as the monthly Personal Consumption Expenditure index that is the Fed's preferred inflation gauge), data from various private sources takes on outsize importance. Interpreting these is very much a matter of individual preference, which can lead to decidedly different views. For example, this week we got one report – the ADP survey – noting that job growth was modest but still positive and better in October than September. But then a separate report from the firm Challenger, Gray & Christmas reported more than 150,000 job cuts in October, the highest number of cuts for the month of October in 22 years and bringing the total year-to-date tally of job cuts to its highest point since the

pandemic in 2020. What's your takeaway, if you are a FOMC member trying to weigh the balance of factors for and against another rate cut at the December meeting?

SCOTUS Throws a Curve

As if that were not enough, the Supreme Court weighed in this week with what appeared to be a rather caustic take on the Trump administration's legal authority for the barrage of tariffs it has unleashed on the world since taking office. Over this period the average tariff on goods coming into the US has gone up from 2.4 percent to 17.9 percent, and that translates to something like \$200 billion coming into government coffers by the time the calendar turns on New Year's Eve.

Now, a great many people in the business and finance world, ourselves included, would be perfectly happy to see this very confusing and taxing (both fiscally and mentally) tariff regime done away with, so if that is what the Supreme Court's eventual decision ultimately leads to, then great. But that decision is not going to be forthcoming today or next week or maybe even not before the end of the year. And it is anybody's guess how the administration, for which tariffs seem to have the authority of revealed Scripture, will react if the Court strikes its arguments down. In the meantime, it just creates more confusion. More fog, when thick gray sheets of fog befitting a New England harbor town on a cold November morning already hang over the economy.

Maybe we will have clarity on all these matters sooner rather than later. The government shutdown, now the longest on record, is starting to have a real impact on real people. Hopefully at some point it will remind our government leaders that they actually have to...well, govern. And allow sunlight to penetrate the thick fog.

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