

Economics | Jobs

US Payrolls Surprise With Surge as Jobless Rate Hits 53-Year Low

- Employers added 517,000 jobs in January, above all estimates
- Report raises doubts about a looming recession: economist

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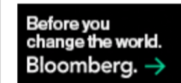
The US labor market burned red-hot in January as hiring unexpectedly surged and unemployment fell to a 53-year low, defying recession forecasts and adding pressure on the Federal Reserve to keep raising interest rates.

Nonfarm payrolls increased 517,000 last month after an upwardly revised 260,000 gain in December, a Labor Department report showed Friday. The unemployment

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Hiring topped all economist estimates, putting to rest any concerns that a manufacturing downturn and layoffs in the technology sector translate into weaker hiring across the country – at least for now.

Payroll gains were broad-based, as factories, retailers and restaurants added jobs. Even construction increased employment amid a slump in housing. The robust demand for labor also pulled in traditionally sidelined workers, including Black Americans, whose jobless rate matched a historic low of 5.4% last month.