

Economics

Hot Jobs Report Raises Odds Fed Keeps Rates Higher for Longer

- Nonfarm payrolls rose 253,000 in April, more than estimate
- Jobless rate fell to multi-decade low of 3.4%, BLS says

By [Catarina Saraiva](#) and [Steve Matthews](#)

May 5, 2023, 8:32 AM CDT *Updated on May 5, 2023, 10:19 AM CDT*

Listen to this article

▶ 3:17

Share this article

Gift this article

Follow the authors

The unexpected pickups in US hiring and wages last month increase chances the Federal Reserve will hold interest rates high for longer and potentially keep the door open to an 11th straight hike in June.

Nonfarm payrolls rose 253,000 last month, a Bureau of Labor Statistics report showed Friday. Economists had expected an increase of 185,000. The unemployment rate fell back to a multi-decade low of 3.4%.

“Wage growth was strong, indicating continued inflationary pressures from the labor market,” Gus Faucher, chief economist with PNC Financial Services Group, wrote in a note to clients.