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Weekly Commentary

Sound of silence

I ended my previous column with this sentence: This week's nonfarm payrolls report will be as critical as it gets. Well, it would have been, had the US Department of Labor actually released it. But the shutdown of the federal government on Wednesday meant that no one came to work in its Bureau of Labor Statistics office.

Investors, analysts, media outlets and the like starved for data about the employment situation found meager pickings. The August Job Openings and Labor Turnover Summary released September 30 reported scant change from July in the number of job openings, at 7.2 million, and hires & separations, at 5.1 million. But ADP said payrolls declined by 32,000.

If federal employees go back to work soon and are able to release the September jobs report not long after, the Federal Reserve should have time to consider the information as it decides whether or not to issue another rate cut. The markets still expect that. But if policymakers don't get the report, it is certainly conceivable they will hold rates steady at the October meeting.

Views are as of the date above and are subject to change based on market conditions and other factors. These views should not be construed as a recommendation for any specific security or sector.

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