

+120,000 and the figure for April falling -30,000 to +147,000. The current 12-month average for job growth is +144,000.

The unemployment rate was unchanged at 4.2% in May, holding at its highest value since 2021. While higher than it has been recently, the unemployment rate remains at a historically low level. It is rare unemployment to hold below five percent. With the exception of the volatility around COVID, the rate has been below five percent since 2016.

Average hourly earnings increased +3.9% year-over-year in May. The rate of wage growth has been trending slowly lower since the post-COVID and post-stimulus peak of +5.9% in March 2022. While a downward trend remains in place, the rate of decline has slowed, with most readings in 2025 near the value posted in May.

**Consumer Confidence & Spending:** After five consecutive months of decline, the Conference Board's Index of Consumer Confidence Index increased in May (+12.3 points in May to 98.0). For most of the past three and a half years, the index had been holding between 95 and 115. With the series of recent decreases, values briefly dropped out of this range, with the level dipping to 85.7 in April.

Overall consumer spending increased only +0.1% month-over-month in April, but this followed a strong +0.7% month-over-month increase in March. Year-over-year, overall spending was +3.2% higher. Spending on garments decreased -0.7% month-over-month in April, but that decrease followed strong monthly gains early in 2025 (e.g., +1.5% month-over-month in January). Spending on clothing was up +4.6% year-over-year in April (excluding volatility around COVID, the longer-term average is 2-3%).

**Consumer Prices & Import Data:** The CPI for garments decreased -0.1% month-over-month and -0.5% year-over-year in April. Average import costs for cotton-dominant goods (excluding tariffs, seasonally-adjusted values in terms per square meter equivalent or SME) continue to be stable near \$3.70/SME, where they have been since late 2023.

Import data are lagged, with the latest available data for April, which is the month when the U.S. announced and began implementing a wider set of tariff increases. There are push and pull effects with tariffs, with retailers and brands having to decide whether it might be better to pull orders forward to avoid further tariff increases or that it might be better to delay in hopes that tariffs might decrease. In April, cotton-dominant apparel imports were near the average for the past six months and up +13.4% year-over-year (SME volume, seasonally-adjusted).

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