Nonfarm employment increased by 146,000 jobs in June, exactly half the gains posted in April (292,000) but about 50% more than in May (104,000). June’s gains were below consensus, but the April and May numbers were revised upward by a combined 44,000 jobs. The second quarter averaged a monthly increase of 181,000 jobs.

Job gains materialized in professional and business services, education and health services, financial activities, and construction. Manufacturing lost 24,000 net jobs, its worst drop in five months. Losses were especially severe in motor vehicles (–17,900) and transportation equipment (–14,300). By contrast, computer and electronic products employment rose by 7,400 jobs.

The unemployment rate fell 0.1 percentage point to 5.0%, its lowest level since the end of the 2001 recession. The rate for men older than 20 dropped to 4.3%, and the rate for women the same age remained at 4.6%. The unemployment rate for those aged 16 to 19 was 16.4%, down from 17.9% in May.

The employment-to-population ratio (62.7%) and the participation rate (66%) were virtually unchanged. In the course of a year, the employment-population ratio increased 0.4 percentage point.

The fraction of long-term unemployed (those jobless for 27 weeks or longer) was also reduced, from 20.1% in May to 17.8% in June. The average duration of unemployment was 17.1 weeks, 1.7 weeks less than in May and 2.7 weeks less than a year earlier.