

## Employment

Employment figures grew more slowly than expected in November. Nonfarm payrolls rose by just 245,000. The unemployment rate fell from 6.9% to 6.7%, primarily because many unemployed persons stopped looking for work, thus leaving the labor pool. Average hourly earnings rose 0.3% in November and are up 4.4% for the last twelve months.

**Our Take:** Part of the slowdown in employment can be attributed to the ending employment of temporary census workers. However, surging COVID-19 cases proved to be a formidable headwind and the next few months are likely to be challenging before hope arrives in the form of a vaccinated populace.

## Brexit

The pound has whipsawed back and forth this week as encouraging and discouraging information has come out of the trade agreement negotiations. UK and EU negotiators seemed to be close to reaching a deal when the French EU minister indicated that the proposed deal is not acceptable to France due to its handling of French access to British fishing waters and level playing field provisions around state support for firms and labor standards. Merkel urged both leaders to seek compromise, and the EU negotiating team will stay in London for further talks over the weekend.

**Our Take:** The current sticking points that are blocking an agreement are ones where both Johnson and Macron will find it difficult to give ground due to domestic political pressures. Last year's exit agreement had always punted on the most difficult issues, and the deadline for resolving these issues to avoid an effective hard Brexit is approaching quickly. A hard Brexit would be a significant economic headwind to both the UK and the EU at a time when both economies are already reeling from the COVID-19 pandemic.

## Municipals

Clark County, Nevada drew on reserve funds to make part of a debt payment for the Las Vegas Raiders football team's stadium. According to a filing by Zions Bank Public Finance, \$11.6 million was withdrawn from a reserve fund to make a \$16 million debt payment on December 1.

**Our Take:** Both public and private funding was used for the nearly \$2 billion stadium. Revenue from hotel room tax is used to support a portion of the municipal debt. It is not a surprise that Clark County tapped reserves for the debt payment, as the pandemic has led to a decrease in tourism and lower-than-expected hotel tax revenue.

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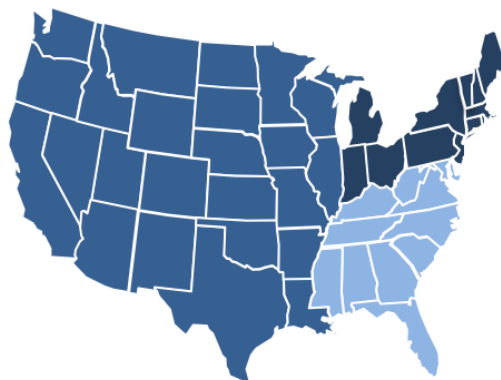
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