Yardeni Research

MORNING BRIEFING
August 8, 2022

No Recession In Labor Market

Check out the accompanying chart collection.

Executive Summary: July's surprisingly strong payroll employment report points to a strong July reading for the Index of Coincident Economic Indicators. This is good news for the economy, bad news for the fixed-income market, and mixed news for the stock market. While it squashes near-term recession fears, it ups prospective Fed hawkishness. … Within the labor market, there is unprecedented churn as people quit in record numbers for higher-paying positions elsewhere. Over half the workers in July's employment report were hired over the past year! But consumer prices are spiraling upward along with wages, so even job-jumpers aren't seeing much wage growth after adjusting for inflation.

YRI Monday Webcast. Join Dr. Ed's live Q&A webinar on Mondays at 11 a.m. EST. You will receive an email with the link to the webinar one hour before showtime. Replays of the Monday webinars are available *here*.

US Economy I: Lots of Jobs. Friday's employment report was all good news for consumers and the economy. It was bad news for the fixed-income securities market, since it increases the odds that the Fed will raise the federal funds rate by 75bps rather than 50bps at the next meeting of the FOMC, in late September. It was mixed news for the stock market since it reduces the odds of a recession during the rest of 2022 but increases the odds of one in 2023 if the Fed will have to raise interest rates to levels that cause a recession to bring inflation down.

How does all this change our economic outlook? Not much for now. Consider the following:

(1) *GDP vs GDI.* Debbie and I believe that what the economy is going through is a mid-cycle slowdown, not a recession. The so called "technical recession" during the first half of this year—with real GDP down slightly during Q1 and Q2—is unlikely to make it into the record books as an "official" recession. Indeed, either one or both quarters' GDP results could be revised upward to show positive growth, especially because Gross Domestic Income (GDI) has been much stronger than GDP in recent quarters (*Fig. 1* and *Fig. 2*). GDP is based on the demand side of the economy, while GDI is based on the income side and is widely deemed to be a more accurate measure of economic activity.

In any case, we now expect that real GDP will grow around 1.0% (saar) during Q3 and Q4, consistent with our view that the economy is in a "growth recession" this year. Next year should be a recovery year, with real GDP up around 2.5%.

(2) *Leading indicators.* The Index of Coincident Economic Indicators (CEI) rose to a record high during June, and payroll employment is one of its four components (*Fig. 3*). Payroll employment jumped 528,000 during July to a new record high. That suggests that the CEI's other three components also rose in July because they are driven by employment.

Industrial production is also one of the four components of the CEI. Manufacturing output likely rose during July, since the employment report showed that aggregate hours worked in manufacturing rose 0.2% m/m last month after falling 0.1% during May.

Nevertheless, the Index of Leading Economic Indicators has been trending downward through June after peaking in February. So it is still signaling that a recession is likely sometime early next year (*Fig. 4*). That's not our forecast currently, but we remain on high alert for compelling signs of a recession.

(3) *Inflation eroding purchasing power.* July's strong employment report meant that our Earned Income Proxy (EIP) for private-sector wages and salaries jumped 0.8% in current dollars as aggregate hours worked increased 0.3% and average hourly earnings rose 0.5% (*Fig. 5*). So why aren't we more optimistic about the near-term economic outlook given the strength in July's employment report?

The problem is that inflation has been eroding the purchasing power of nominal wages and salaries. As a result, while our EIP is up 9.8% y/y through June, it is up just 2.9% y/y on an inflation-adjusted basis using the PCED. The good news is that inflation might have moderated during July, led by a drop in gasoline prices, thus leaving consumers with more purchasing power during the month.

(4) *Broad-based job gains.* Total payroll employment has recovered 22.0 million jobs since bottoming in April 2020, moving above its pre-pandemic level by 32,000 (*Fig. 6*). The payroll employment diffusion index, which tracks the percentage of industries reporting higher private payrolls, was 68.6% on a one-month basis and 74.4% on a three-month basis (*Fig. 7*). Industries posting the largest gains during July were leisure & hospitality (96,000), professional & business services (89,000), health care (70,000), construction (32,000), manufacturing (30,000), and transportation (22,500).

The gain in construction jobs is surprising since homebuilders are selling fewer homes. Also surprising is the gain in information technology (13,000), since some tech companies recently announced hiring freezes and layoffs. Not surprising is that warehouse employment fell 1,600, as retailers are slashing their prices to reduce their bloated inventories.

US Economy II: The Fed Isn't Done. As noted above, Friday's employment report increased the odds that the Fed will raise the federal funds rate by 75bps rather than 50bps when the FOMC meets in late September. In addition to a strong increase in payrolls, wages continue to spiral higher along with prices. Consider the following:

(1) *The spiral.* Average hourly earnings for all workers in July increased 0.5% m/m and 5.2% y/y. July's wage inflation rate remained well below the latest available price inflation data, for June, of 9.1% y/y and 6.8% y/y in the CPI and PCED measures, respectively (*Fig. 8*). Real wages have been stagnating since early 2021 (*Fig. 9*). However, the wage-price-rent spiral continues to spiral.

(2) *Fed heads.* Last week, even before the jobs report was released, a few of the talking Fed heads clearly were on a damage-control campaign to clarify Fed Chair Jerome Powell's comment at his *presser* on July 27 that the federal funds rate range of 2.25%-2.50% is "right in the range of what we think is neutral." He added, "now that we're at neutral, as the process goes on, at some point, it will be appropriate to slow down" the pace of rate hikes.

Last week, five regional Fed bank officials scrambled to walk back the notion that the Fed was nearly done tightening. San Francisco's Mary Daly *said* that the central bank is "nowhere near" being almost done cracking down on inflation. Cleveland's Loretta Mester *said* she's still awaiting persuasive evidence that price pressures are moderating, and Chicago's Charles Evans said the kind of data that would confirm policymakers are on the right track is a few reports away.

Minneapolis Fed Bank President Neel Kashkari said that the Fed reacted to inflation too slowly last year because policymakers believed higher prices would be transitory. When asked about a potential recession, he said that navigating a soft landing is still possible.

Kashkari also *shot down* the notion that the Fed could cut interest rates in 2023 to spur economic growth: "Some financial markets are indicating they expect us to cut interest rates next year," he said. "I don't want to say it's impossible, but it seems like that's a very unlikely scenario right now given what I know about the underlying inflation dynamics. The more likely scenario is we would continue raising (interest rates), and then we would sit there until we have a lot of confidence that inflation is well on its way back down to 2 percent."

Also on August 3, in a CNBC interview, St. Louis Fed Bank President James Bullard *said* the Fed might need to keep interest rates "higher for longer" until there's enough evidence showing that inflation is easing. "We're going to need to see convincing evidence across the board, headline and other measures of core inflation, all coming down convincingly before we'll be able to feel like we're doing enough."

On Saturday, Fed Governor Michelle Bowman *suggested* that she would vote for another 75bps rate hike at the next FOMC meeting: "Based on current economic conditions and the outlook I just described, I supported the FOMC's decision last week to raise the federal funds rate another 75 basis points. I also support the Committee's view that 'ongoing increases' would be appropriate at coming meetings. My view is that similarly-sized increases should be on the table until we see inflation declining in a consistent, meaningful, and lasting way."

(3) *Market reaction.* By the end of last week, the 2-year Treasury note yield, which is a good indicator of market expectations for the federal funds rate over the coming year, rose to 3.24% on Friday, up 39 bps from its recent low of 2.85% on July 28 (*Fig. 10*). The yield-curve spread between the 10-year and 2-year Treasury notes fell to -35bps on Friday—the lowest reading since early September 2000—signaling that if the Fed continues to tighten, a recession is likely (*Fig. 11*).

US Employment III: Churn To Earn More. The labor market is remarkably dynamic. Over the past 12 months, hirings and quits rose to record highs. Many people are quitting their old jobs to take new ones that pay more. The problem they face is that price inflation has been eroding most, if not all, of their wage gains. Consider the following remarkable turnover in the labor market:

(1) *Payrolls.* During the 12 months through July, payroll employment rose 6.1 million according to the monthly employment report (*Fig. 12*). That was only 4.0% of total payrolls during July (*Fig. 13*).

(2) *Hiring.* Over this same period, according to the JOLTS report, hiring totaled a whopping 78.3 million, or 51.5% of July's payrolls (*Fig. 14* and *Fig. 15*). That's right: Half of payroll employment was attributable to newly hired workers, i.e., hired over the past 12 months!

(3) *Quits.* Over this same period, separations totaled 72.2 million (47.5%), consisting of 51.4

million quits (33.8%) and 16.4 million layoffs (16.4%) (*Fig. 16* and *Fig. 17*). That's right: A third of workers quit their jobs over the past 12 months!

(4) *Job openings.* All this churning can partly explain why there are a near-record 1.8 job openings for every unemployed worker. Jobs open up when workers quit. But the rapid pace of hiring suggests that jobs get filled fairly quickly after opening up.

(5) *Switching.* Some of this incredible churning in the labor market undoubtedly reflects workers' perceptions that the labor market is tight and that they can get paid more by switching jobs. They are right, according to the Atlanta Fed's wage growth tracker (WGT). During June, the wages of job switchers rose 7.9% y/y, while the wages of job stayers rose 6.1% (*Fig. 18*).

(6) *Eroding.* Meanwhile, the PCED inflation rate was 6.8% y/y through June. So in real terms, the WGT rose just 1.1% for switchers and fell 0.7% for stayers (*Fig. 19*).

Calendars

US: Mon: None. **Tues:** Productivity & Until Labor Costs -4.6%/9.0%; NFIB Small Business Optimism 89.5; API Weekly Crude Oil Inventories; EIA Short-Term Energy Outlook. (Bloomberg estimates)

Global: Mon: Eurozone Sentix Investor Confidence -24.7; UK BRC Retail Sales Monitor -1.5%; Australia NAB Business Confidence. **Tues:** Japan PPI 0.4%m/m/8.4%y/y; Japan Machine Tools; Australia Westpac Consumer Sentiment; China CPI -0.1%m/m/2.4%y/y; China PPI 6.0% y/y. (Bloomberg estimates)

Strategy Indicators

Global Stock Markets Performance (*link*): The US MSCI index rose 0.6% last week as the index moved further away from bear market territory again to end the week at 14.5% below its record high on December 27. The US MSCI ranked 19th of the 48 global stock markets that we follow in a week when 25 countries rose in US dollar terms. The AC World ex-US index fell 0.3% for the week and remained in a bear market at 20.9% below its June 15, 2021 record high. Most regions rose last week, but EM Asia and EMEA were the best-performers with gains of 0.9%, followed by BIC (0.8%), EM Latin America (0.8), and EMU (0.0). EM Eastern Europe (-2.2) was the worst-performing region last week, followed by EAFE (-0.7). Pakistan was the best-performing country last week with a gain of 15.1%, followed by Sri Lanka (10.2), Hungary (7.5), Turkey (6.4), and Thailand (4.8). Among the 18 countries that underperformed the AC World ex-US MSCI last week, Denmark's 6.1% decline put it in last place, followed by Poland (-4.5), Jordan (-4.4), and Mexico (-3.3). The US MSCI's ytd ranking rose one place w/w to 22/49. After lagging for much of year, the US MSCI's ytd decline of 14.0% is now less than the AC World ex-US's 17.3% drop. EM Latin America is up 0.7% ytd and is the only region outperforming the AC World ex-US. The laggards: EM Eastern Europe (-84.2), EMEA (-32.1), EMU (-23.4), BIC (-20.8), EM Asia (-18.8), and EAFE (-17.6). The best country performers so far in 2022: Jordan (19.4), Chile (17.2), Brazil (6.3), Indonesia (3.8), and Turkey (2.1). Apart from Russia, in which investors have lost 100.0% of their investment this year, here are the worst-performing countries ytd: Sri Lanka (-65.1), Egypt (-39.4), Poland (-38.3), Hungary (-37.7), and Pakistan (-36.9).

S&P 1500/500/400/600 Performance (*link*): LargeCap rose 0.4% w/w last week for its third straight gain as SmallCap was unchanged and MidCap fell 0.3%. All three of these indexes are out of a bear market, but remain in a correction. LargeCap finished the week at 13.6% below its record high on January 3. MidCap is 14.0% below its record high on November 16, while SmallCap is 15.4% below its November 8 record high. Sixteen of the 33 sectors moved higher for the week, down from all 33 sectors rising a week earlier. SmallCap Health Care was the best performer with a gain of 2.5%, followed by MidCap Consumer Staples (2.4%), SmallCap Communication Services (2.3), LargeCap Tech (1.9), and MidCap Communication Services (1.5). SmallCap Energy (-8.5) was the biggest underperformer last week, followed by LargeCap Energy (-6.8), MidCap Energy (-5.5), MidCap Real Estate (-3.0), and MidCap Utilities (-2.9). In terms of 2022's ytd performance, LargeCap, now with a 13.0% decline, continues to trail SmallCap (-11.6) and MidCap (-11.9). Just five of the 33 sectors are positive so far in 2022, unchanged from a week earlier. Energy continues to dominate the top performers: LargeCap Energy (32.0), SmallCap Energy (30.2), MidCap Energy (27.1), LargeCap Utilities (3.7), and MidCap Utilities (0.6). The biggest ytd laggards: LargeCap Communication Services (-27.2), SmallCap Consumer Discretionary (-23.5), SmallCap Real Estate (-22.4), MidCap Consumer Discretionary (-19.8), and LargeCap Consumer Discretionary (-19.5).

S&P 500 Sectors and Industries Performance (*link*): Six of the 11 S&P 500 sectors rose last week, and five outperformed the composite index's 0.4% gain. That compares to a 4.3% gain for the S&P 500 a week earlier, when all 11 sectors rose and six outperformed the index. Tech was the top performer with a gain of 1.9%, followed by Consumer Discretionary (1.2%), Communication Services (1.2), Industrials (0.6), and Utilities (0.4). The worst performers: Energy (-6.8), Real Estate (-1.3), Materials (-1.3), Health Care (-0.7), Financials (-0.1), and Consumer Staples (0.1). The S&P 500 is down 13.0% so far in 2022 with five sectors ahead of the index, and just two in positive territory. The best performers in 2022 to date: Energy (32.0), Utilities (3.7), Consumer Staples (-3.8), Health Care (-6.9), and Industrials (-9.2). The ytd laggards: Communication Services (-27.2), Consumer Discretionary (-19.5), Tech (-15.8), Real Estate (-15.7), Materials (-14.9), and Financials (-13.9).

S&P 500 Technical Indicators (*link*): The S&P 500 rose 0.4% last week and improved relative to its 50-day moving average (50-dma) and its 200-day moving average (200-dma). The index closed above its 50-dma for a third straight week after 14 weeks below, but closed below its 200-dma for the 24th time in 26 weeks. It had been above its 200-dma for 81 straight weeks through early February. The S&P 500's 50-dma moved lower after rising a week earlier for the first time in 16 weeks as the index improved to a 15-month high of 5.4% above its rising 50-dma from 5.3% above its rising 50-dma a week earlier. That's up from a 27-month low of 11.1% below its falling 50-dma in mid-June. The index had been mostly trading above its 50-dma from late April 2020 to early April 2022; in June 2020, it was 11.7% above, which was the highest since its record high of 14.0% in May 2009. That compares to 27.7% below on March 23, 2020—its lowest reading since it was 29.7% below on Black Monday, October 19, 1987. The price index closed Friday at 4.2% below its falling 200-dma, up from 4.8% below a week earlier and from a 26-month low of 17.1% below its falling 200-dma in mid-June. The latest reading is down sharply from 10.8% above its rising 200-dma in early November. That compares to 17.0% above in December 2020, which was the highest since November 2009 and up from the 26.6% below registered during the Great Virus Crisis on March 23, 2020—the lowest reading since March 2009. At its worst levels of the Great Financial Crisis, the S&P 500 index was 25.5% below its 50-dma on October 10, 2008 and 39.6% below its 200-dma on November 11, 2008. The 200-dma declined for a 15th straight week.

S&P 500 Sectors Technical Indicators (*link*): Ten of the 11 S&P 500 sectors traded above their 50-dmas last week, down from all 11 a week earlier as Energy fell back below. Still, that's an improvement from the two weeks before the end of June when all 11 sectors were below. Health Care was above for a sixth week as Consumer Discretionary, Consumer Staples, and Tech each marked their fourth straight week above. Just three of the 11 sectors had a rising 50-dma, a marked deterioration eight a week earlier. Consumer Discretionary, Industrials, and Tech are the only sectors with a rising 50-dma now. Looking at the more stable longer-term 200-dmas, just two sectors are above now as Health Care moved back below in the latest week. Energy was above for a 46th straight week and Utilities for a second week. For perspective, at the depths of the Great Virus Crisis in April 2020, Health Care was the only sector trading above its 200-dma. Three sectors have a rising 200-dma, down from three a week earlier as Health Care turned down. Consumer Staples, Energy, and Utilities are the only members of the rising 200-dma club.

US Economic Indicators

Employment (*link*): Payroll employment in July blew past forecasts, and there were upward revisions to the prior two months, boosting payrolls back up to pre-pandemic levels and a new record high. Payroll employment soared 528,000 in July, more than double the consensus forecast of 250,000, with both June (to 398,000 from 372,000) and May (386,000 from 384,000) changes revised higher for a net gain of 28,000. Private payrolls advanced 471,000, with the increase in June (404,000 from 381,000) payrolls higher and May (331,000 from 336,000) payrolls slightly lower, for a net gain of 18,000. Total payroll employment has recovered 22.0 million jobs since bottoming in April 2020, moving above its pre-pandemic level by 32,000. Jobs gains in service-providing industries increased 402,000 in July, averaging monthly increases of 325,800 the past five months—below the 525,000 average gain the first two months of the year—though July's gain was the highest of the five-month span. Goods-producing jobs' gain picked up to 69,000 in July, after slowing steadily from February's 114,000 increase to June's 51,000 gain. Industries posting the largest gains during July were leisure & hospitality (96,000), professional & business services (89,000), health care (70,000), construction (32,000), and manufacturing (30,000). *Here's a list of the industries that are above their February 2020 pre-pandemic levels:* professional & business services (+986,000), transportation & warehousing (+744,800), retail trade (+207,800), information services (+117,000), financial activities (+95,000), nondurable goods manufacturing (+92,000), construction (+82,000), education (+28,300). *Here's a list of the industries that are below their February 2020 pre-pandemic levels:* wholesale trade (-20,600), durable goods manufacturing (-51,000), mining & logging (-51,000), social assistance (-52,900), health care (-78,400), and leisure & hospitality (-1.2 million).

Earned Income Proxy (*link*): Our Earned Income Proxy (EIP), which tracks consumer incomes and spending closely, recorded its 26th increase in the past 27 months—up 0.8% in July and 30.5% over the period—to yet another new record high. The EIP has averaged monthly gains of 0.8% the past 17 months. In July, average hourly earnings advanced 0.5%, with aggregate weekly hours 0.3% higher. Over the past 12 months, our EIP was up 9.6%—with aggregate weekly hours up 4.4% and average hourly earnings up 5.2%—slowing from February's 11.0% rate, which was the fastest since mid-2021.

Unemployment (*link*): July's unemployment rate was back down at its pre-pandemic low of 3.5% (which was the lowest since 1969), dipping from the 3.6% rate recorded from March through June. Meanwhile, the participation rate has slipped from 62.4% in March—which was the highest since March 2020—to 62.1% in July; it averaged 61.7% and 61.8%, respectively, during 2021 and 2020. *By race:* The unemployment rate for African Americans was the only one to rise in July, ticking up to 6.0%, though that was after falling from 7.1% at the end of last year to 5.8% in June—which was not far from its record low of 5.4% recorded during August and September 2019. Meanwhile, July saw the jobless rate for Hispanics fall to a record low of 3.9%, while the rate for Asian Americans sank to 2.6%, back near its pre-pandemic readings and not far from its record low of 2.1% posted during June 2019. The rate for Whites slipped from 3.3% to 3.1% in July, just a tick above its record low of 3.0% just before the pandemic hit. *By education:* Those with less than a high school degree continue to climb, from a record low of 4.3% in February to 5.9% in July, which was the highest since the 6.3% rate at the start of this year, while the rate for those with a high school degree and some college remained at 3.6%. The rate for those with some college dropped to 2.8% in July, just a few ticks above its record low of 2.4% during fall 2000, while the rate for those with a college degree and higher continued to hover around 2.0%.

Wages (*link*): Average hourly earnings for all workers in July increased for the 18th straight month, climbing to a four-month high of 0.5% last month. The yearly rate held at June's 5.2%, easing from March's recent high of 5.6%—with July's rate below the June inflation-rate gains of 9.1% and 6.8% in the CPI and PCED measures, respectively. Private industry wages over the three months through July increased 5.1% (saar), virtually matching its 5.2% yearly rate, with the three-month rate for goods-producing (3.7%, saar & 4.5% y/y) industries below its yearly average and identical for service-providing at 5.4%. *Service-providing industries showing three-month rates below their yearly rates:* wholesale trade (2.4 & 3.7), transportation & warehousing (3.0 & 5.5), professional & business services' (3.5 & 5.9), retail trade (4.0 & 4.8), and leisure & hospitality (8.1 & 8.7). *Service-providing industries showing three-month rates above their yearly rates:* other services (8.9 & 3.2), financial activities (7.8 & 4.0), utilities (7.3 & 5.8), information services (7.0 & 4.4), and education & health services (6.8 & 6.0). *Goods-producing industries are a mixed bag:* The three-month rates are below their yearly rates for durable goods manufacturing (1.6 & 3.9) and construction (4.8 & 5.5), above for natural resources (10.7 & 3.7), and the exact same for nondurable goods manufacturing (both 3.8%).

Merchandise Trade (*link*): The real merchandise trade deficit continued its narrowing trend in June after holding steady in May at -$116.6 billion. June's deficit narrowed dramatically to -$113.2 billion from a record-high -$135.8 billion during March. Trade was a major drag on Q1 real GDP, but was the biggest positive contributor during Q2—with the latest data suggesting that the contribution was likely larger. Real exports rose in June for the third time in four months, by a total of 5.2%, to a new record high, while real imports fell for the third consecutive month by 6.1% from March's record high. *Looking at exports,* real exports of industrial supplies & materials shot up 11.5% during the four months through June to a new record high, after slumping 8.0% the first two months of the year, while exports of nonfood consumer goods ex autos dipped 1.3% in June, though that followed a four-month surge of 11.5%. Meanwhile, both exports of capital goods orders ex autos and auto exports remain on volatile uptrends, though are losing steam. Foods, feeds & beverage exports are moving sideways. *As for import trends,* the measures for capital goods ex autos; foods, feeds & beverages; and nonfood consumer goods ex autos are hovering just below record highs, while auto imports are on a volatile uptrend, though lost ground in June. Imports of industrial supplies & materials are holding steady after dropping 9.0% in April.

Global Economic Indicators

Germany Manufacturing Orders (*link*): The volume of German factory orders contracted for the fifth consecutive month in June, sinking 0.4% m/m and 8.4% over the period, after starting the year with a 3.0% gain. The decline was led by a 19.1% drop in foreign orders from outside the Eurozone over the five months through June, while domestic demand and billings from outside the Eurozone each fell 1.2% over the period. Here's a look at movements in domestic orders, along with the breakdown from both inside and outside the Eurozone for the main industry groupings, respectively, year to date: consumer durable goods (+15.3%, +6.2%, -12.7%), consumer nondurable goods (+3.8, +20.3, -1.8), intermediate goods (-5.3, -7.1, -6.2), and capital goods (-12.8, -1.9, -3.5).

Germany Industrial Production (*link*): Headline German industrial production, which includes construction, was a surprise on the upside, gaining 0.4% (vs consensus estimate of -0.3%) after a 0.1% downtick and a 1.3% gain the prior two months, steadying after plunging 4.2% in February as Russia invaded Ukraine. Meanwhile, Germany's measure excluding construction (which the overall Eurozone uses) expanded for the third month, by 0.6% m/m and 2.8% over the period, after March's 4.8% contraction. Over the three months through June, capital goods production expanded 7.0%, recovering nearly all of March's decline, while output of intermediate goods was only fractionally higher over the period, ticking up 0.6%. Meanwhile, consumer durable goods production rose 2.0% over the three months ending June, with all the strength occurring in April, while consumer nondurable goods production fell 2.8% during the three months through May but rebounded 1.5% in June.

Contact us by *email* or call 480-664-1333.

Ed Yardeni, President & Chief Investment Strategist, 516-972-7683
Debbie Johnson, Chief Economist, 480-664-1333
Joe Abbott, Chief Quantitative Strategist, 732-497-5306
Melissa Tagg, Director of Research Projects & Operations, 516-782-9967
Mali Quintana, Senior Economist, 480-664-1333
Jackie Doherty, Contributing Editor, 917-328-6848
Valerie de la Rue, Director of Institutional Sales, 516-277-2432
Mary Fanslau, Manager of Client Services, 480-664-1333
Sandy Cohan, Senior Editor, 570-228-9102