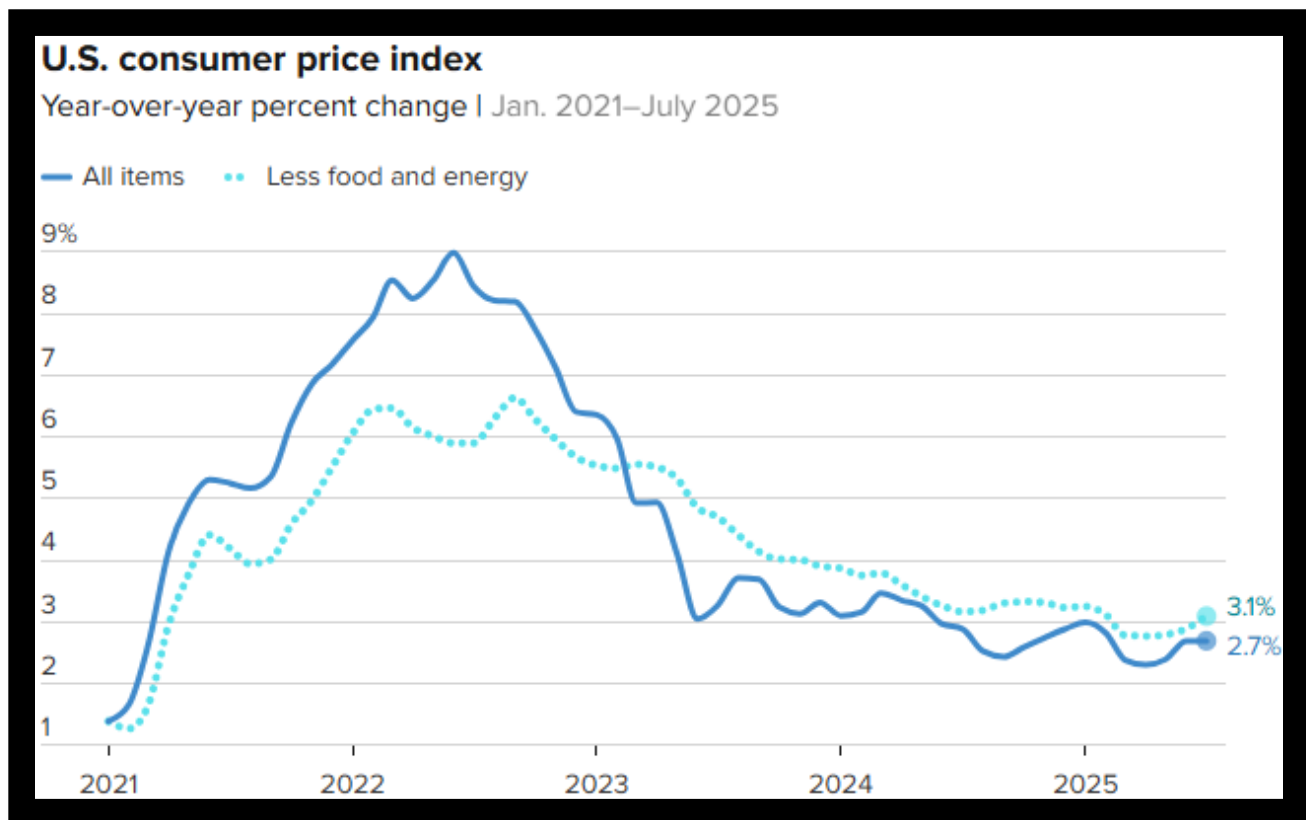




Our Moderation Economy

September 12, 2025

There's nothing to worry about in this number: the inflation rate rose from 2.5% to 2.7% in July, which is above the 2% target that the Federal Reserve Board is targeting, but clearly far more moderate than some of the dire predictions around the tariff increases. It's worth remembering that three years ago, during the aftershocks of the Covid epidemic, the consumer price index had risen from 1% to 9%. The economy has been recovering from that bout of inflation first quickly, now more gradually, and this appears to be a blip on the chart.



Source: U.S. Bureau of Labor Statistics
Data as of Aug 12, 2025

For all the recent controversy about employment statistics, the bottom line there is that the unemployment rate in July was unchanged at 4.2%. There were revisions of the May and June numbers, which launched some political controversy (and one more person added to the unemployment rate), and suggested that firms were not hiring aggressively over the summer.

The inflation numbers were boosted by sharp upturn in rental rates and housing. The employment situation is more interesting. We are living through a very tight labor market, but for high school and college graduates, the picture looks a bit different. By some estimates, people looking for an entry level job make up 85% of unemployment. One possible factor is that artificial intelligence may be handling the back office and rote data management work that is typically given to new hires as they 'learn the system' in their first couple of years with a company. According to a report from the Handshake jobs platform, more than half of this year's college graduates feel pessimistic about starting their careers in the current economy.

Source:

<https://www.cnbc.com/2025/08/12/cpi-inflation-report-july-2025.html>

<https://www.nbcnews.com/business/economy/us-jobs-report-july-downward-revisions-worse-than-thought-rcna222442>

<https://fortune.com/2025/06/12/tough-job-market-new-grads-entry-level-jobs-scarce-stagnation-tariffs-ai/>

If you have any questions about this article or want to discuss your family finances, investment portfolio, or financial planning advice, please call on me anytime at my number [\(215\) 325-1595](tel:2153251595) or you can [click here to schedule a meeting](#).

Please feel free to forward this article and offer to anyone you know who might have financial questions or need some unbiased advice. Most financial advice is sales advice. In stark contrast, we are fee-only (non-commissioned) fiduciary advisors. We just provide truthful, unbiased advice to our clients.



Jeffrey Broadhurst
MBA, CFA, CFP
Broadhurst Financial Advisors, Inc.



****PRIVACY NOTICE****

This message is intended only for the individual or entity to which it is addressed and may contain information that is privileged, confidential, or exempt from disclosure under applicable federal or state law. You are hereby notified that any dissemination, distribution, or copying of this communication, except in accordance with its intended purpose, is strictly prohibited.

Our physical and mail address:

1911 West Point Pike
P.O. Box 301
West Point, PA 19486-0301

Contact us:

Phone: (215) 325-1595
Email: jeff@broadhurstfinancial.com