

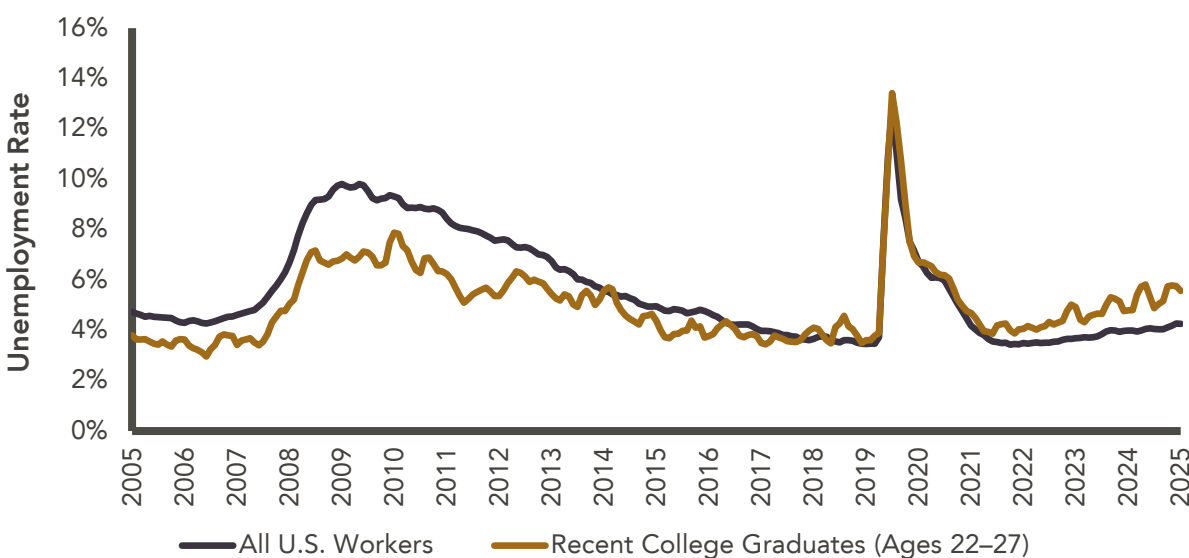
Chart of the Week

April 20, 2026

The Sorrows of Young Workers

EVAN FRAZIER, CFA, CAIA, SENIOR RESEARCH ANALYST

While the U.S. labor market remains strong, employment barriers for younger workers could undermine long-term economic growth and stability



Source: Federal Reserve Bank of New York as of December 31, 2025 (most recently available for recent college graduate demographic)

Entry-level jobs have traditionally served as the primary bridge between education and stable employment, offering young workers a foothold from which to build skills and careers. That bridge now appears to be in a precarious position, however, as data points show that unemployment among recent college graduates has risen meaningfully in just a few years (even as headline labor market indicators remain relatively stable). Indeed, the unemployment rate for recent college graduates was 5.6% at the end of last year, compared to a more moderate figure of 4.2% for the entire United States.

Several factors could explain this situation. First, the nature of entry-level work is changing, as positions that once required little experience increasingly demand that applicants possess prior skills, internships, or even several years of relevant work. This dynamic leaves many new graduates caught in a paradox: unable to gain experience because they lack it. Hiring trends reinforce this challenge. Employer demand for early-career talent has flattened, and companies appear more reluctant to invest in training, instead favoring candidates who can contribute immediately. The result is a bottleneck at the bottom of the labor market, where supply continues to grow but opportunities do not keep pace. Broader economic forces are compounding these pressures. Technological change, particularly the increasing adoption of automation and artificial intelligence,

CONTINUED >

is reshaping the types of tasks firms are willing to assign to junior workers. In many cases, routine or entry-level responsibilities are being automated or consolidated into higher-skill roles. At the same time, hiring has become more selective and uneven across industries, with growth concentrated in sectors that are less accessible to many recent graduates. Research from regional Federal Reserve banks underscores that these trends are not merely cyclical but may reflect longer-term shifts in how labor markets function. When entry-level hiring weakens, career progression slows, wage growth is delayed, and workforce participation may decline as discouraged workers step back from job searches. Over time, this can erode productivity and limit economic dynamism, as fewer workers gain the early-career experience needed to move into more advanced roles. The implications extend beyond individual job seekers to the broader economy, which depends on a steady pipeline of talent development.

Taken together, these dynamics point to a labor market that is still strong on the surface but potentially fragile beneath it. A robust economy is not defined solely by low unemployment or steady job creation, but also by the accessibility of opportunity across all stages of a worker's career. Ensuring a sufficient supply of true entry-level roles (i.e., positions that offer training, mobility, and a pathway forward) may therefore be critical not just for today's graduates, but for sustaining long-term economic growth. ■

PREPARED BY MARQUETTE ASSOCIATES

180 North LaSalle St, Ste 3500, Chicago, Illinois 60601 PHONE 312-527-5500
CHICAGO BALTIMORE MILWAUKEE PHILADELPHIA ST. LOUIS WEB marquetteassociates.com

CONFIDENTIALITY NOTICE: This communication, including attachments, is for the exclusive use of the addressee and contains proprietary, confidential and/or privileged information; any use, copying, disclosure, dissemination or distribution is strictly prohibited. Marquette Associates, Inc. retains all proprietary rights they may have in the information.

Marquette Associates, Inc. ("Marquette") has prepared this document for the exclusive use by the client or third party for which it was prepared. The information herein was obtained from various sources, including but not limited to third party investment managers, the client's custodian(s) accounting statements, commercially available databases, and other economic and financial market data sources.

The sources of information used in this document are believed to be reliable. Marquette has not independently verified all of the information in this document and its accuracy cannot be guaranteed. Marquette accepts no liability for any direct or consequential losses arising from its use. The information provided herein is as of the date appearing in this material only and is subject to change without prior notice. Thus, all such information is subject to independent verification, and we urge clients to compare the information set forth in this statement with the statements received directly from the custodian in order to ensure accuracy of all account information. Past performance does not guarantee future results and investing involves risk of loss. No graph, chart, or formula can, in and of itself, be used to determine which securities or investments to buy or sell.

Forward looking statements, including without limitation any statement or prediction about a future event contained in this presentation, are based on a variety of estimates and assumptions by Marquette, including, but not limited to, estimates of future operating results, the value of assets and market conditions. These estimates and assumptions, including the risk assessments and projections referenced, are inherently uncertain and are subject to numerous business, industry, market, regulatory, geopolitical, competitive, and financial risks that are outside of Marquette's control. There can be no assurance that the assumptions made in connection with any forward looking statement will prove accurate, and actual results may differ materially. Indices have been selected for comparison purposes only. Client account holdings may differ significantly from the securities in the indices and the volatility (beta) of the account may be materially different from client account performance and may be more or less than the benchmark. You cannot invest directly in an index. Artificial intelligence has been utilized during the preparation of this document.

*The inclusion of any forward looking statement herein should not be regarded as an indication that Marquette considers forward looking statements to be a reliable prediction of future events. The views contained herein are those of Marquette and should not be taken as financial advice or a recommendation to buy or sell any security. Any forecasts, figures, opinions or investment techniques and strategies described are intended for informational purposes only. They are based on certain assumptions and current market conditions, and although accurate at the time of writing, are subject to change without prior notice. Opinions, estimates, projections, and comments on financial market trends constitute our judgment and are subject to change without notice. Marquette expressly disclaims all liability in respect to actions taken based on any or all of the information included or referenced in this document. **The information is being provided based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing.***

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any interest in any investment vehicle, and should not be relied on as such. Targets, ranges and expectations set forth in this presentation are approximations; actual results may differ materially. The information and opinions expressed herein are as of the date appearing in this material only, are subject to change without prior notice, and do not contain material information regarding the Marquette Model Portfolio, including specific information relating to portfolio investments and related important risk disclosures. The descriptions herein of Marquette's investment objectives or criteria, the characteristics of its investments, investment process, or investment strategies and styles may not be fully indicative of any present or future investments, are not intended to reflect performance and may be changed in the discretion of Marquette. While the data contained herein has been prepared from information that Marquette believes to be reliable, Marquette does not warrant the accuracy or completeness of such information.

About Marquette Associates

Marquette was founded in 1986 with the sole objective of providing investment consulting at the highest caliber of service. Our expertise is grounded in our commitment to client service — our team aims to be a trusted partner and as fiduciaries, our clients' interests and objectives are at the center of everything we do. Our approach brings together the real-world experience of our people and our dedication to creativity and critical thinking in order to empower our clients to work towards their goals.

Marquette is an independent investment adviser registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. More information about Marquette including our investment strategies, fees, and objectives can be found in our ADV Part 2 and Form CRS which are available upon request and on our website. For more information, please visit www.MarquetteAssociates.com.