

25.Feb.2021

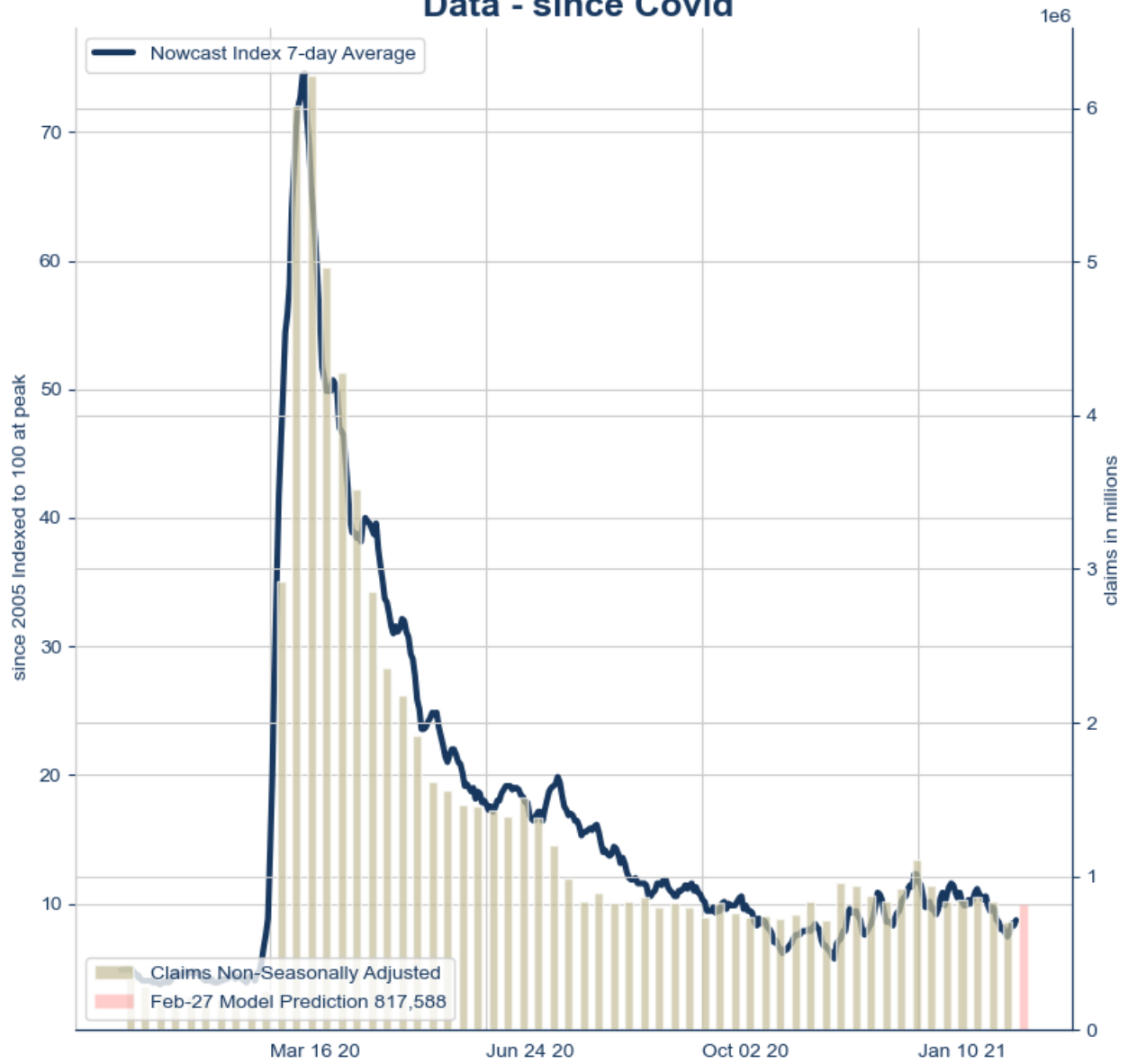
## **Jobless Claims: Sharp Decline**

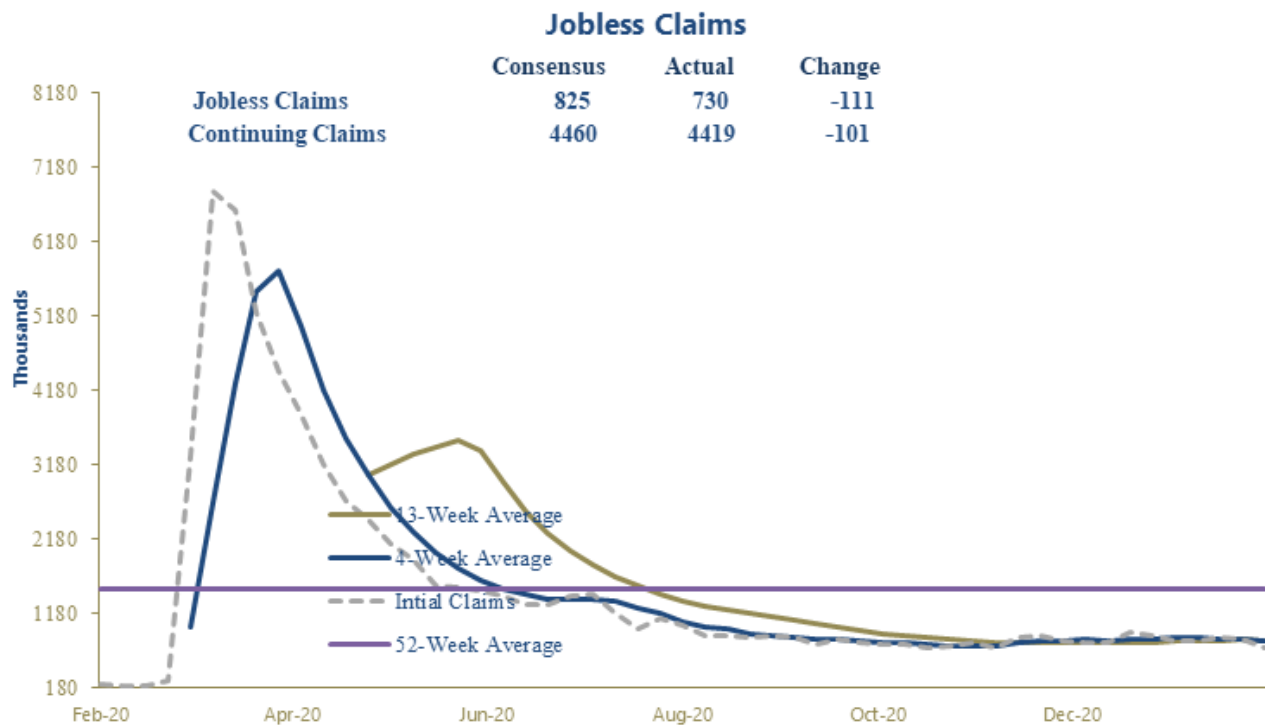
**Bottom Line:** Claims fell sharply last week, mostly due to a sharp decline in claims in California as some of the processing bottlenecks started to subside. Colorado submitted an estimate of its claims, while claims in Illinois continued to rise, likely due to reporting bottlenecks. Claims in Ohio also fell by nearly a third, likely due to weather. Interestingly, claims in Texas were steady. Still, we expect a bit more volatility in the coming weeks, mostly due to weather and continued processing bottlenecks. Looking through the volatility, the trend is still modestly lower, suggesting a modest improvement in the labor market.

Our Nowcasting model forecast suggests claims may edge higher for one more week. But weather-related delays and processing bottlenecks will create volatility in the reported figures for many states.



## Claims vs. Nowcast Index Data - since Covid





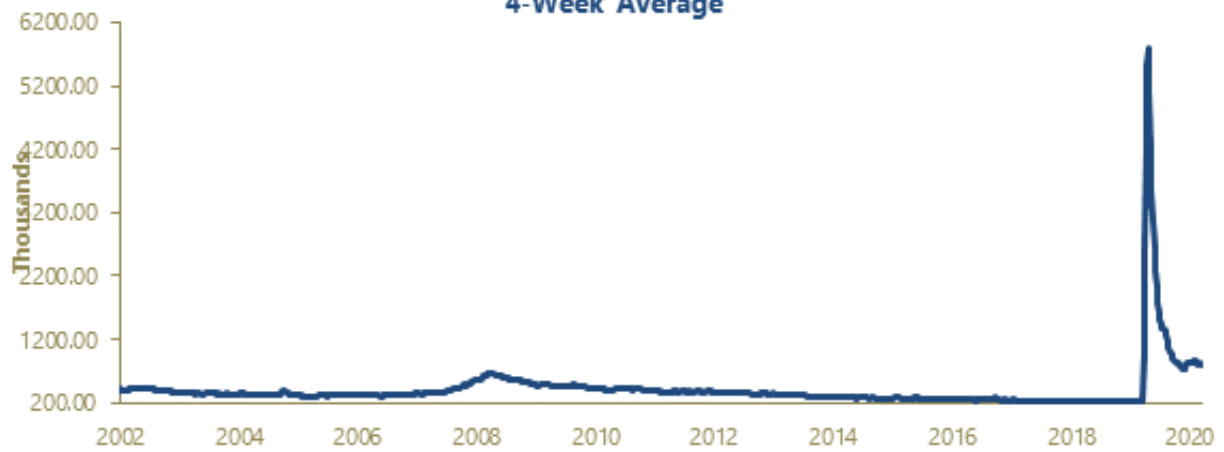
**Jobless Claims** FELL by 111k during the week ended February 20th to 730k, compared with market expectations for an increase to 825k. The 4-week average FELL by 20.5k to 808k and the 13-week average FELL by 4.4k to 822k.

**Continuing Claims** FELL by 101k during the week ended February 13th to 4,419k, The 4-week average FELL by 92k to 4,547k.

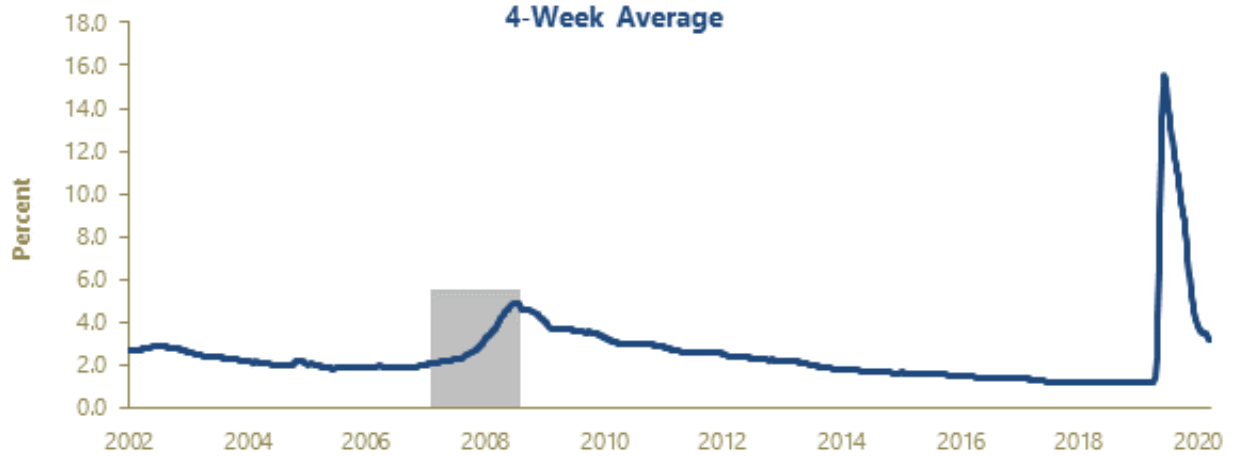
On a non-seasonally adjusted basis, Continuing Claims FELL by 143k to 4,828k during the week ended February 6th.

**The Insured Jobless Rate** FELL by 0.1% to 3.1% during the week ended February 13th. The insured jobless rate only reflects the number of people collecting regular state unemployment insurance.

**Initial Claims**  
4-Week Average



**Insured Jobless Rate**  
4-Week Average



**Continuing Claims**  
Not Seasonally Adjusted



## Persons Collecting Unemployment Compensation Not Seasonally Adjusted



	20-Feb	13-Feb	6-Feb	30-Jan	23-Jan	16-Jan	9-Jan	2-Jan	26-Dec
<b>Initial Claims (000's)</b>	<b>730</b>	<b>841</b>	<b>848</b>	<b>812</b>	<b>812</b>	<b>875</b>	<b>927</b>	<b>784</b>	<b>782</b>
<b>Weekly Change</b>	<b>-111</b>	<b>-7</b>	<b>36</b>	<b>0</b>	<b>-63</b>	<b>-52</b>	<b>143</b>	<b>2</b>	<b>-24</b>
<b>4-Week Average</b>	<b>808</b>	<b>828</b>	<b>837</b>	<b>857</b>	<b>850</b>	<b>842</b>	<b>825</b>	<b>816</b>	<b>836</b>
<b>Weekly Change</b>	<b>-21</b>	<b>-9</b>	<b>-20</b>	<b>7</b>	<b>8</b>	<b>17</b>	<b>9</b>	<b>-20</b>	<b>17</b>
<b>Continuing Claims (000's)</b>		<b>4,419</b>	<b>4,520</b>	<b>4,558</b>	<b>4,691</b>	<b>4,785</b>	<b>4,975</b>	<b>5,175</b>	<b>5,072</b>
<b>Weekly Change</b>		<b>-101</b>	<b>-38</b>	<b>-133</b>	<b>-94</b>	<b>-190</b>	<b>-200</b>	<b>103</b>	<b>-126</b>
<b>4-Week Average</b>		<b>4,547</b>	<b>4,639</b>	<b>4,752</b>	<b>4,907</b>	<b>5,002</b>	<b>5,105</b>	<b>5,192</b>	<b>5,275</b>
<b>Weekly Change</b>		<b>-92</b>	<b>-114</b>	<b>-154</b>	<b>-95</b>	<b>-103</b>	<b>-87</b>	<b>-83</b>	<b>-177</b>
<b>Insured Jobless Rate (%)</b>		<b>3.1</b>	<b>3.2</b>	<b>3.2</b>	<b>3.3</b>	<b>3.4</b>	<b>3.5</b>	<b>3.6</b>	<b>3.5</b>

Source: *Employment and Training Administration, Department of Labor via Bloomberg. Our calculations.*

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