

27.May.2021

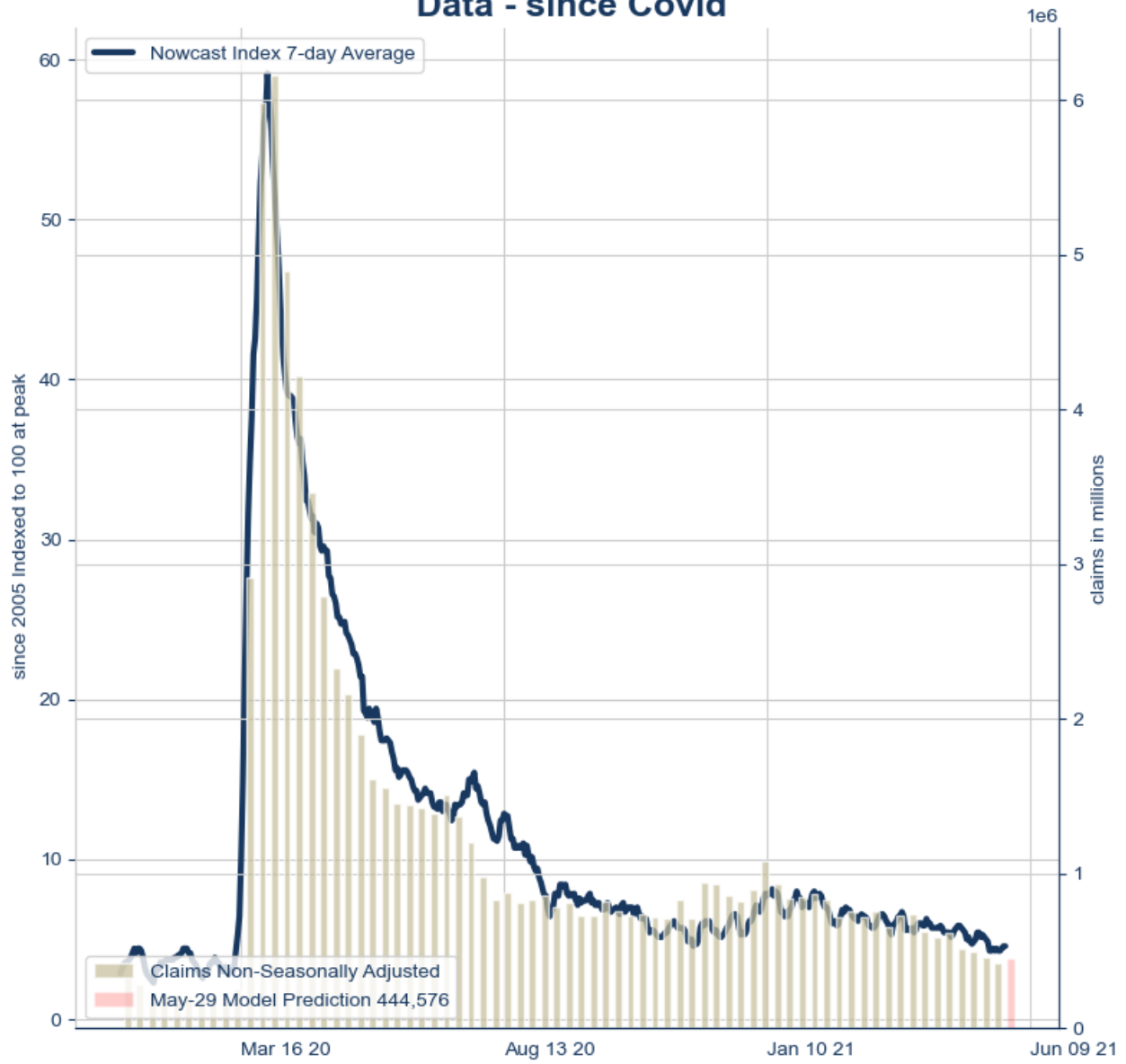
Jobless Claims: Continued Declines

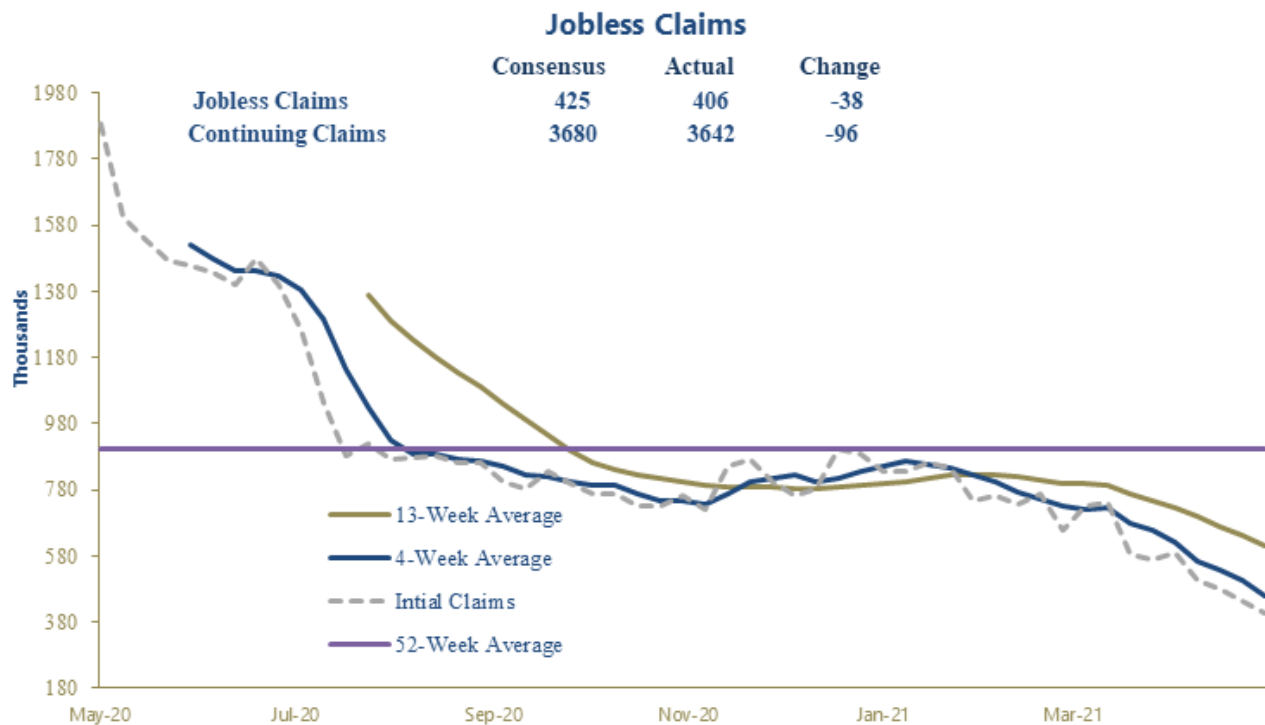
Bottom Line: Claims fell even more than expected last week, just over 400k and trending in the right direction. The volatility of the weekly data has been low with few holiday disruptions and minimal processing anomalies. The trend is lower amid continued reopenings and vaccine distribution. The four-week average fell below 500k for the first time since the pandemic. Nearly 150k below the 13-week average, this suggests a strongly improving trend in labor markets. While hiring may remain less predictable with skills mismatches and many people still at home juggling childcare schedules, fewer people are applying for unemployment claims.

Our Nowcasting model correctly suggested claims would dip below 425k last week. Expect the Memorial Day holiday to impact claims in the coming two weeks. Our model suggests a slight uptick ahead of the holiday weekend.



Claims vs. Nowcast Index Data - since Covid





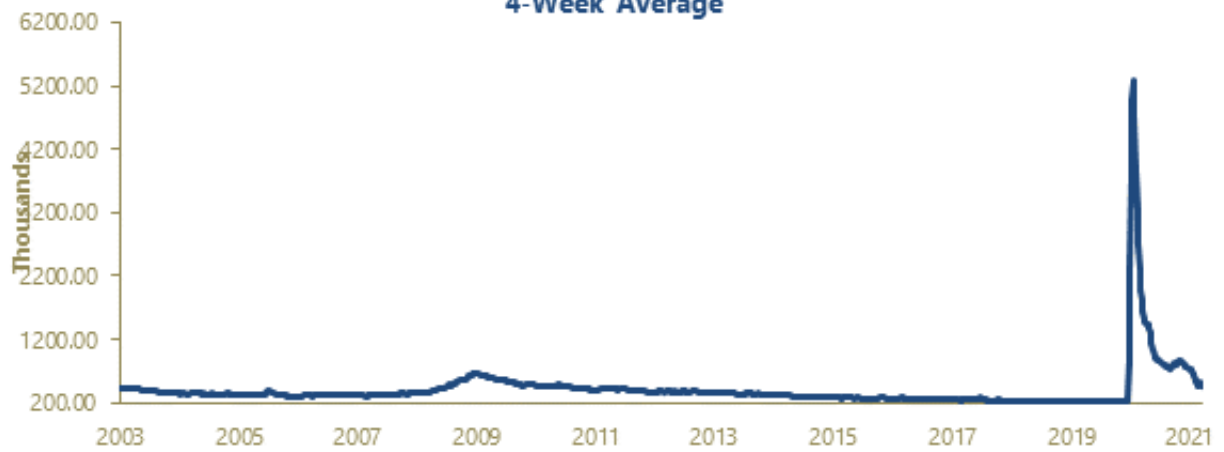
Jobless Claims FELL by 38k during the week ended May 22nd to 406k, compared with market expectations for an increase to 425k. The 4-week average FELL by 46.0k to 459k and the 13-week average FELL by 26.2k to 613k.

Continuing Claims FELL by 96k during the week ended May 15th to 3,642k, The 4-week average FELL by 3k to 3,675k.

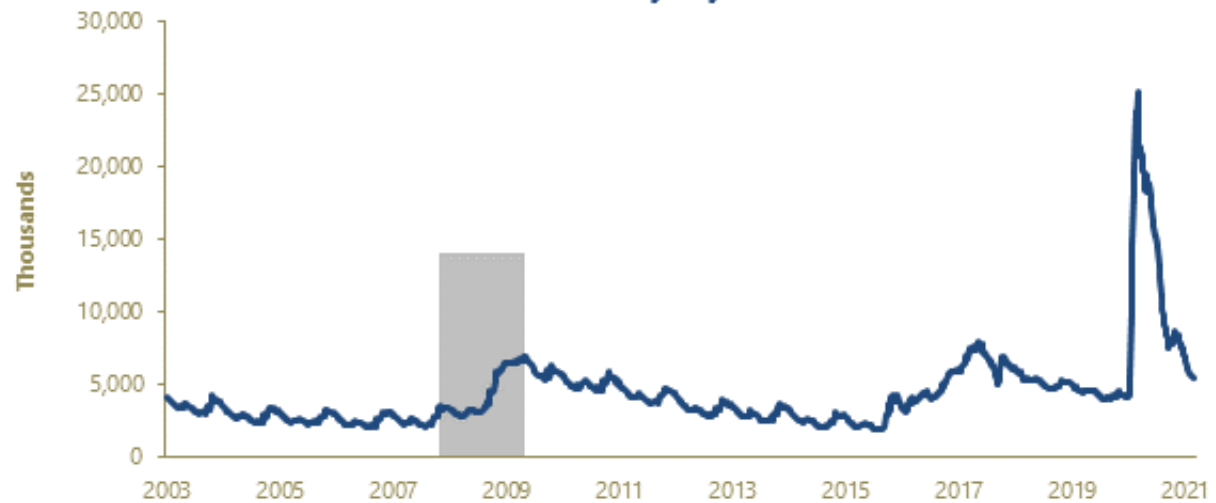
On a non-seasonally adjusted basis, Continuing Claims FELL by 150k to 3,521k during the week ended May 8th.

The Insured Jobless Rate FELL by 0.1% to 2.6% during the week ended May 15th. The insured jobless rate only reflects the number of people collecting regular state unemployment insurance.

Initial Claims
4-Week Average



Persons Collecting Unemployment Compensation
Not Seasonally Adjusted

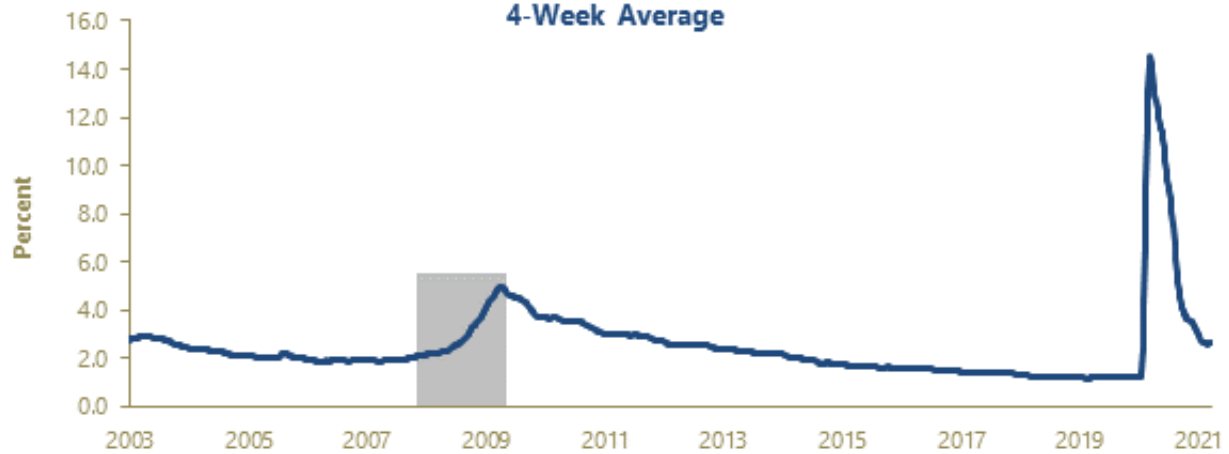


Continuing Claims
Not Seasonally Adjusted



Insured Jobless Rate

4-Week Average



	22-May	15-May	8-May	1-May	24-Apr	17-Apr	10-Apr	3-Apr	27-Mar
Initial Claims (000's)	406	444	478	507	590	566	586	742	729
Weekly Change	-38	-34	-29	-83	24	-20	-156	13	71
4-Week Average	459	505	535	562	621	656	679	724	722
Weekly Change	-46	-31	-27	-59	-35	-23	-45	2	-8
Continuing Claims (000's)		3,642	3,738	3,640	3,680	3,653	3,652	3,708	3,717
Weekly Change		-96	98	-40	27	1	-56	-9	-36
4-Week Average		3,675	3,678	3,656	3,673	3,683	3,708	3,755	3,859
Weekly Change		-3	22	-17	-9	-25	-47	-104	-110
Insured Jobless Rate (%)		2.6	2.7	2.6	2.6	2.6	2.6	2.7	2.6

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

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