

22.Jul.2021

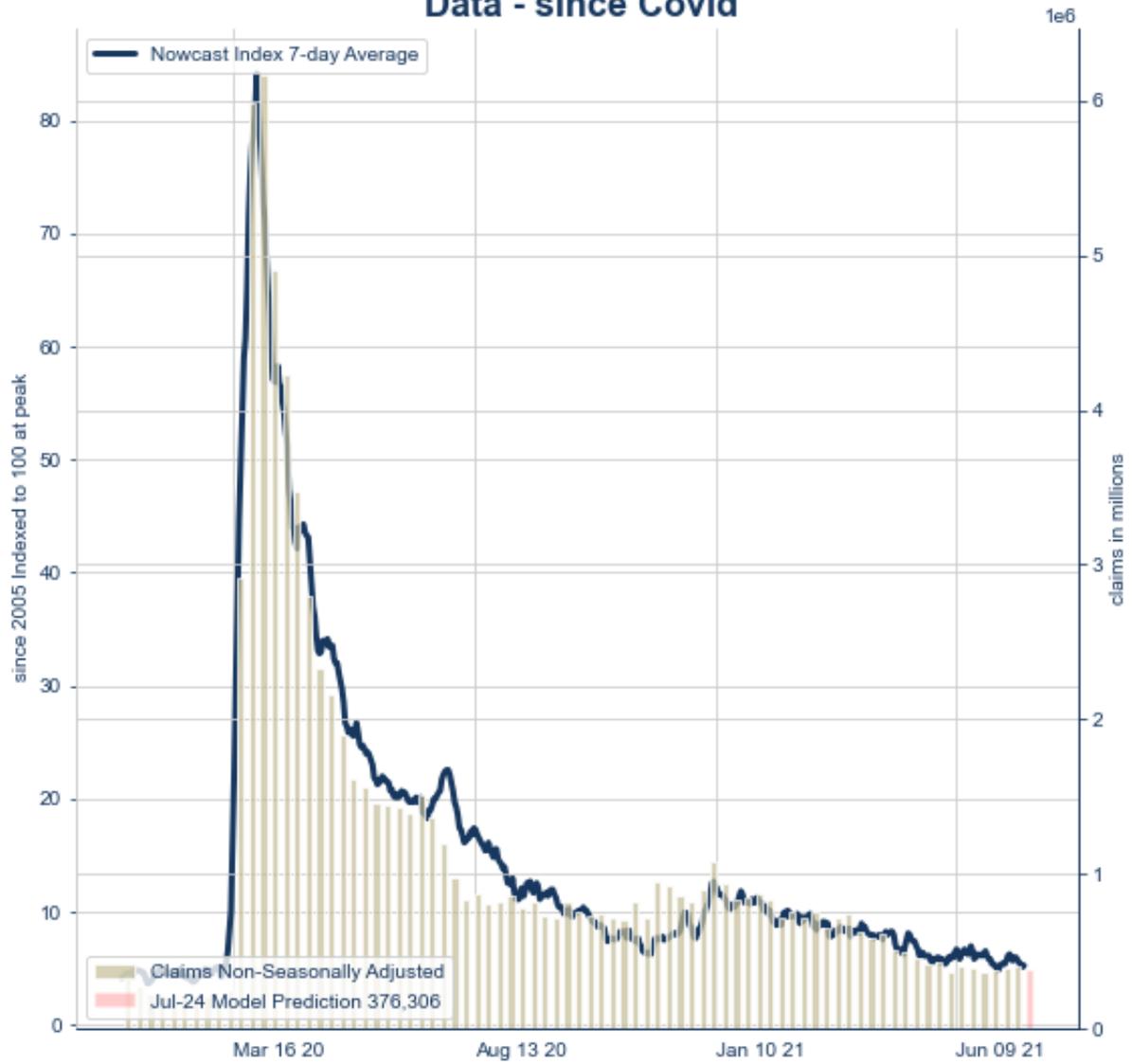
## **Jobless Claims: Back Over 400k**

**Bottom Line:** Claims rose sharply last week, jumping to over 400k, as our Nowcast model suggested was possible but surprising most other forecasts. For the most part, this appears to be a one-off jump rather than a shift in trend. That said, the trend towards steady improvement has clearly lost momentum, with claims sticky around this 400k level. The surge in Covid cases related to the delta variant is unlikely to cause a renewed spike in joblessness as there have been few shutdowns so far, but it will likely hinder further labor improvement for at least the next month.

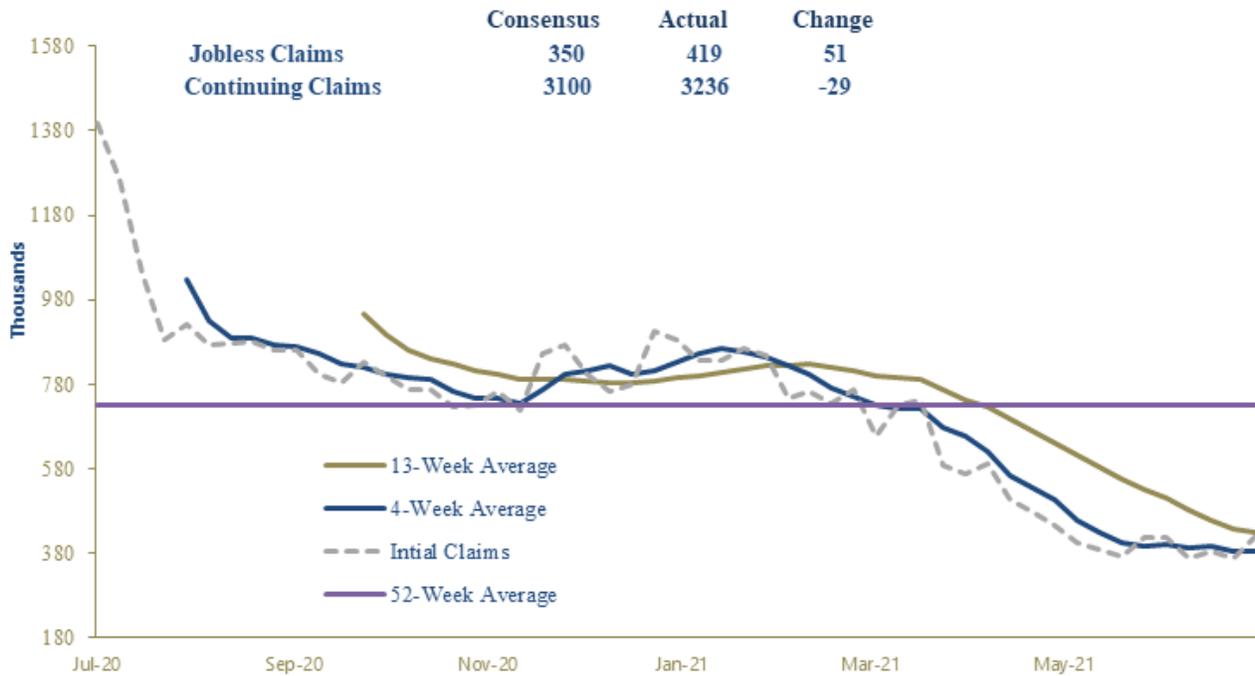
Our Nowcast model suggests claims are running just below 400k this week.



# Claims vs. Nowcast Index Data - since Covid



## Jobless Claims



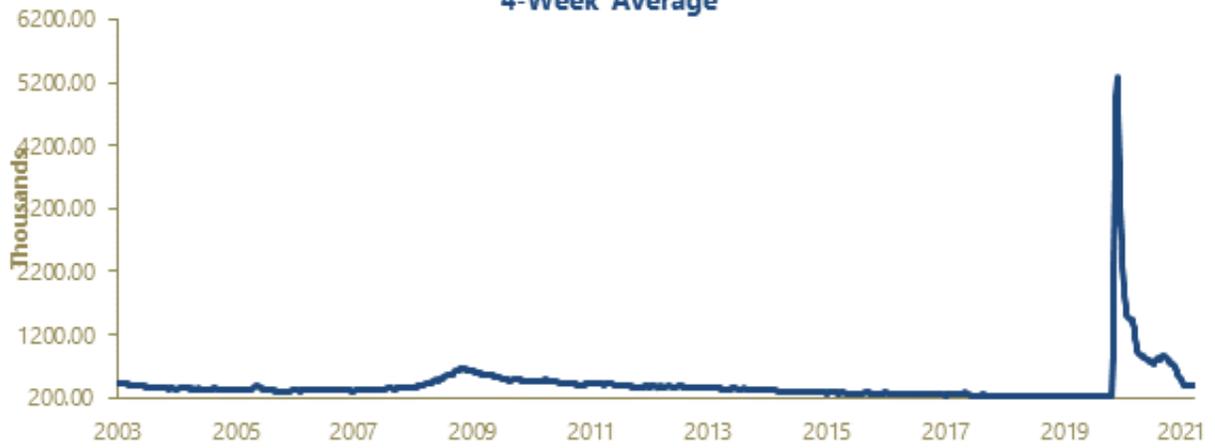
**Jobless Claims** ROSE by 51k during the week ended July 17th to 419k, compared with market expectations for an increase to 350k. The 4-week average ROSE by 0.8k to 385k and the 13 week average FELL by 11.3k to 428k.

**Continuing Claims** FELL by 29k during the week ended July 10th to 3,236k, The 4-week average FELL by 44k to 3,338k.

On a non-seasonally adjusted basis, Continuing Claims ROSE by 106k to 3,250k during the week ended July 3rd.

**The Insured Jobless Rate** STAYED at 2.4% during the week ended July 10th. 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



	17-Jul	10-Jul	3-Jul	26-Jun	19-Jun	12-Jun	5-Jun	29-May	22-May
<b>Initial Claims (000's)</b>	419	368	386	368	416	418	374	388	405
<b>Weekly Change</b>	51	-18	18	-48	-2	44	-14	-17	-39
<b>4-Week Average</b>	385	385	397	394	399	396	403	429	459
<b>Weekly Change</b>	1	-13	3	-5	3	-7	-26	-30	-46
<b>Continuing Claims (000's)</b>		3,236	3,265	3,367	3,484	3,412	3,528	3,517	3,769
<b>Weekly Change</b>		-29	-102	-117	72	-116	11	-252	158
<b>4-Week Average</b>		3,338	3,382	3,448	3,485	3,557	3,606	3,659	3,690
<b>Weekly Change</b>		-44	-66	-38	-71	-50	-53	-31	22
<b>Insured Jobless Rate (%)</b>		2.4	2.4	2.4	2.5	2.5	2.5	2.5	2.7

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

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T.J. Connelly, Head of Research	July 22, 2021	Steven A. Wood, Senior Economic Adviser
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