

29.Jul.2021

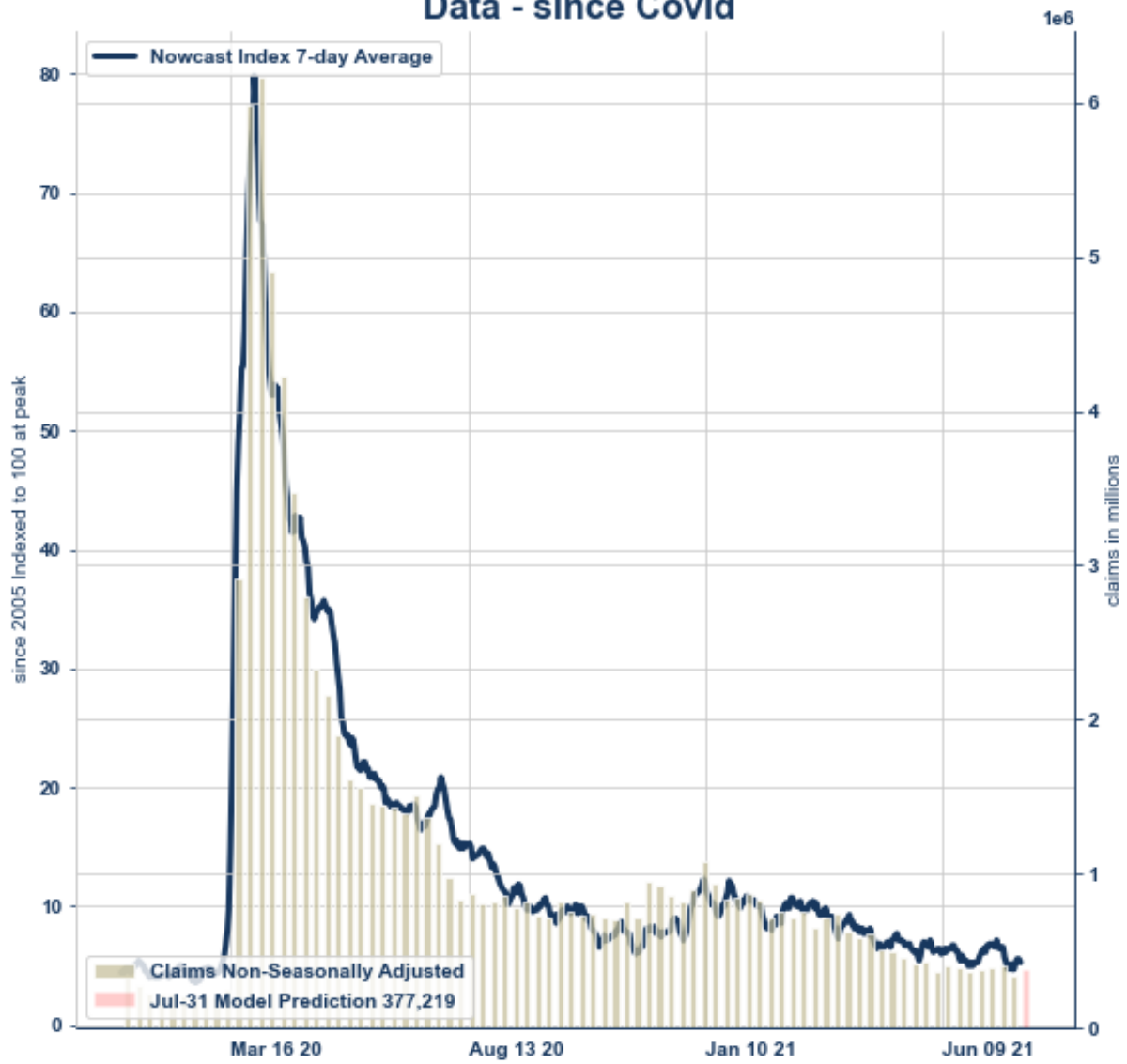
Jobless Claims: Stubborn at 400k

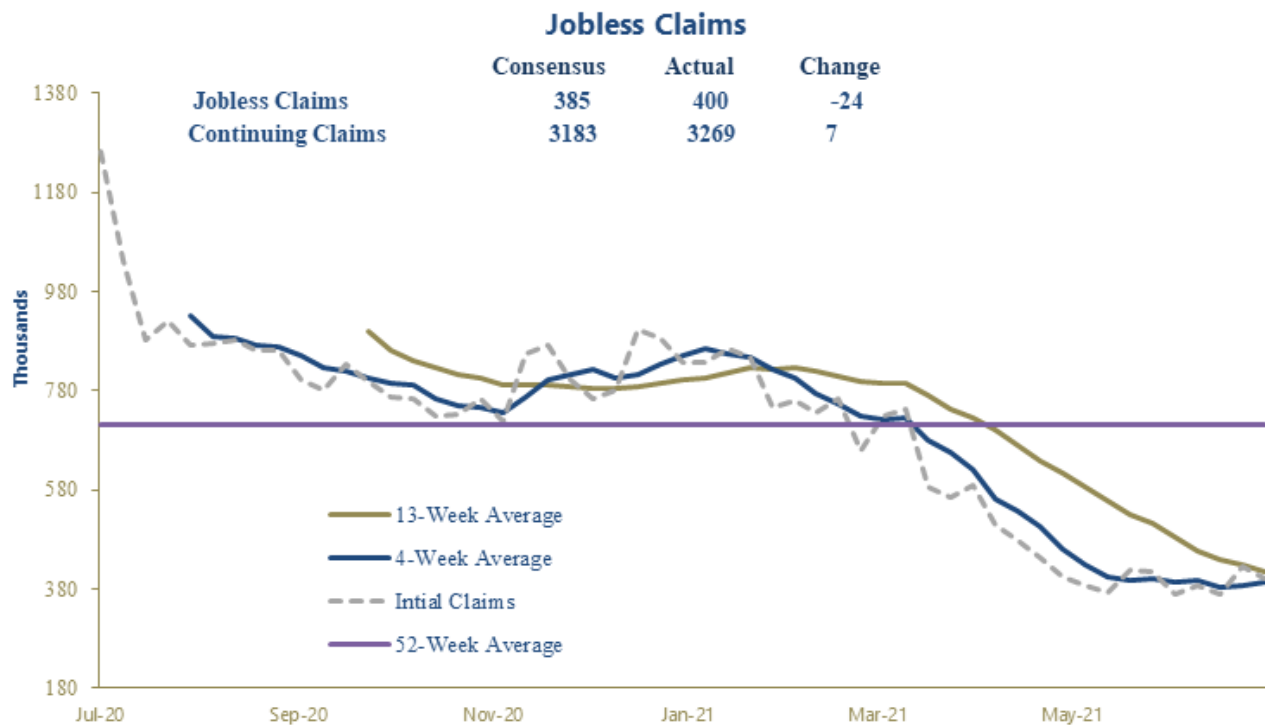
Bottom Line: Claims fell less than expected last week, proving stubbornly high at the 400k level. But the trend is still down, and much of the upside surprise came from seasonal adjustments and what appears to be a one-off uptick in claims in California. Still, the trend towards steady improvement has clearly lost momentum. 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 were running around 377k this week.



Claims vs. Nowcast Index Data - since Covid





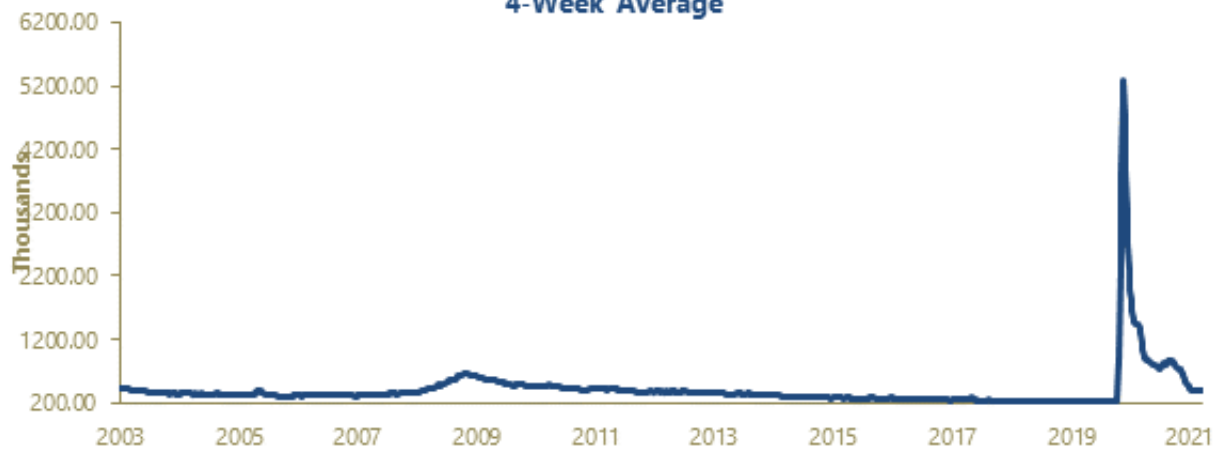
Jobless Claims FELL by 24k during the week ended July 24th to 400k, compared with market expectations for an increase to 385k. The 4-week average ROSE by 8.0k to 395k and the 13 week average FELL by 14.6k to 414k.

Continuing Claims ROSE by 7k during the week ended July 17th to 3,269k, The 4-week average FELL by 54k to 3,291k.

On a non-seasonally adjusted basis, **Continuing Claims** FELL by 28k to 3,247k during the week ended July 10th.

The Insured Jobless Rate STAYED at 2.4% during the week ended July 17th. The insured jobless rate only reflects the number of people collecting regular state unemployment insurance.

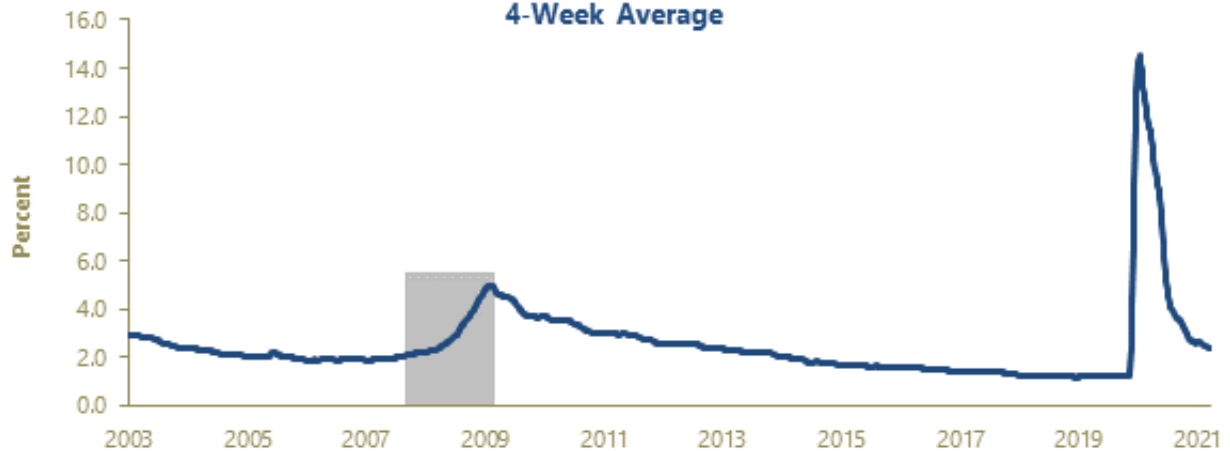
Initial Claims
4-Week Average



Persons Collecting Unemployment Compensation
Not Seasonally Adjusted



Insured Jobless Rate
4-Week Average



	24-Jul	17-Jul	10-Jul	3-Jul	26-Jun	19-Jun	12-Jun	5-Jun	29-May
Initial Claims (000's)	400	424	368	386	368	416	418	374	388
Weekly Change	-24	56	-18	18	-48	-2	44	-14	-17
4-Week Average	395	387	385	397	394	399	396	403	429
Weekly Change	8	2	-13	3	-5	3	-7	-26	-30
Continuing Claims (000's)		3,269	3,262	3,265	3,367	3,484	3,412	3,528	3,517
Weekly Change		7	-3	-102	-117	72	-116	11	-252
4-Week Average		3,291	3,345	3,382	3,448	3,485	3,557	3,606	3,659
Weekly Change		-54	-38	-66	-38	-71	-50	-53	-31
Insured Jobless Rate (%)		2.4	2.4	2.4	2.4	2.5	2.5	2.5	2.5

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

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July 29, 2021

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