

12.Aug.2021

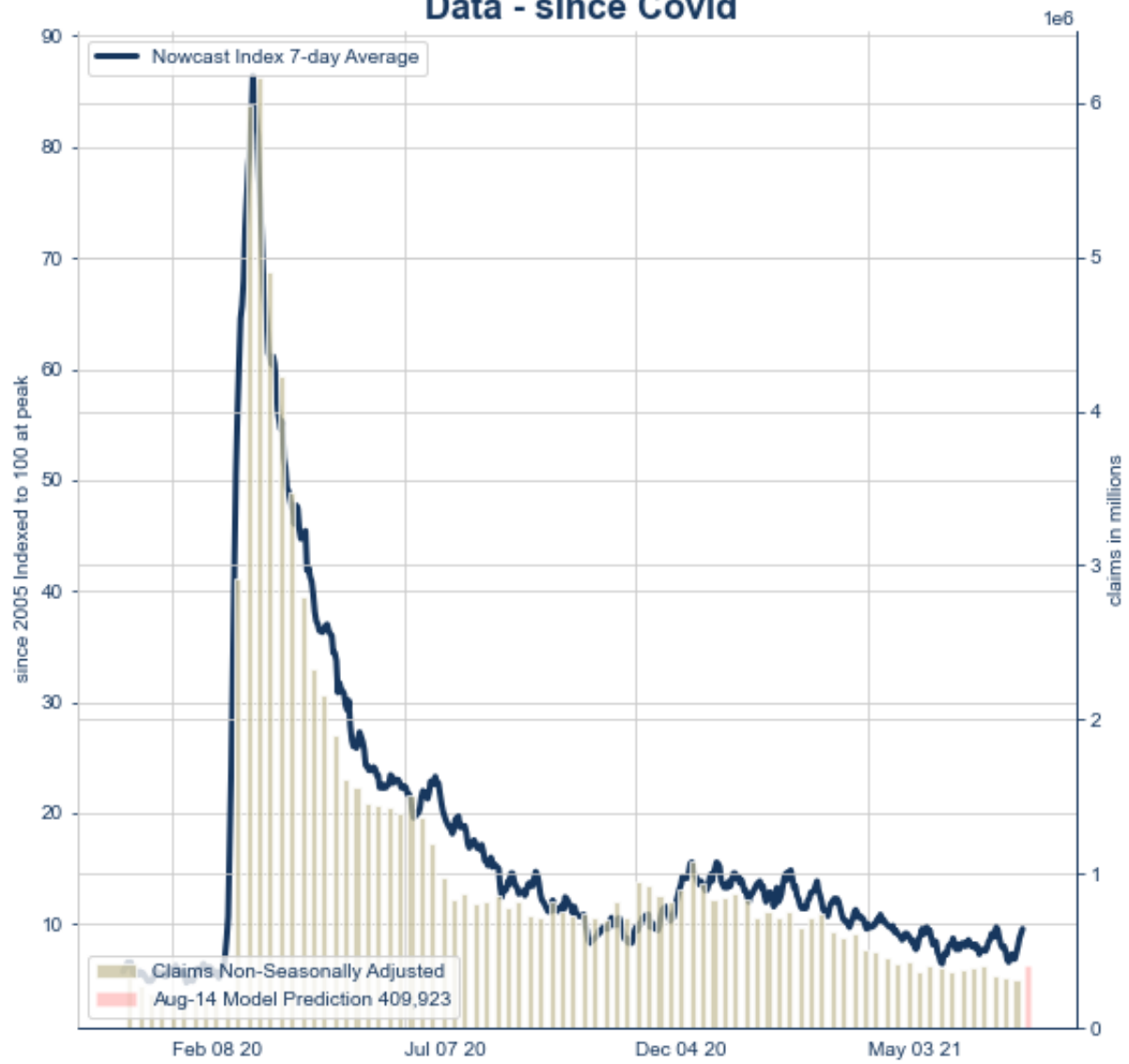
Jobless Claims: Hints of Concern

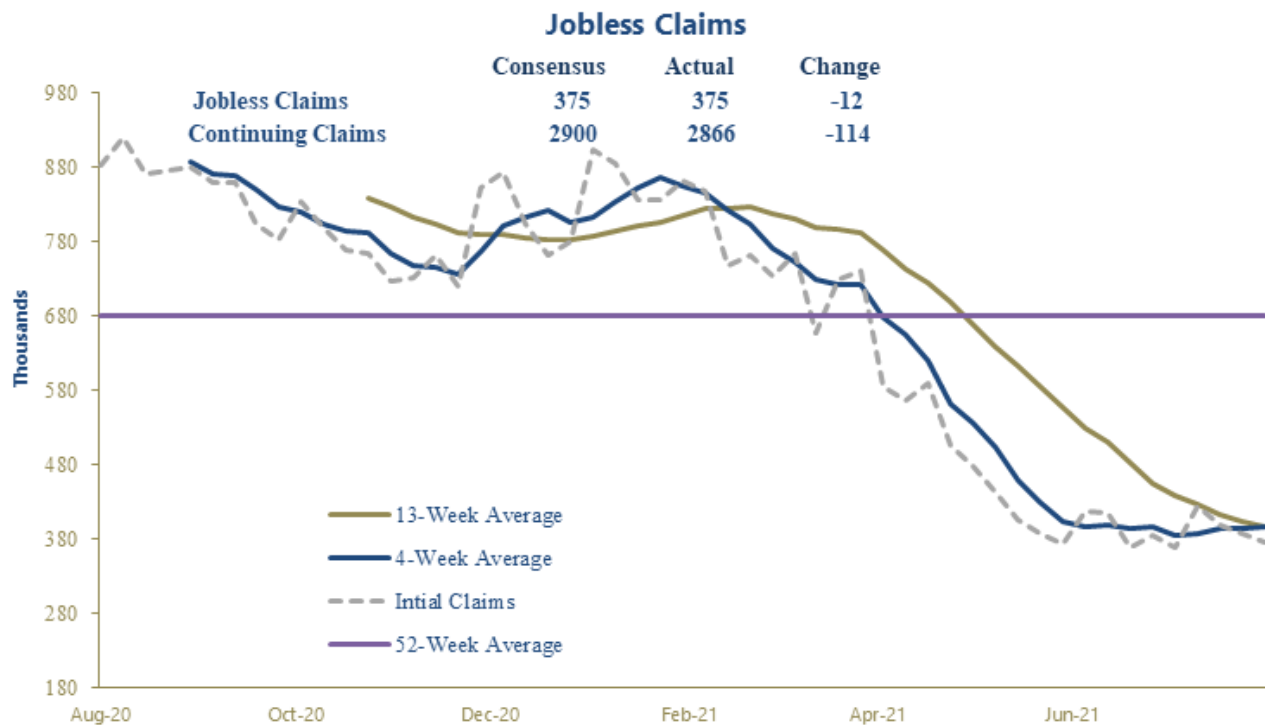
Bottom Line: Initial jobless claims fell for the third week in a row but remained stubbornly in the high 300s. For the first time in over a year, the 4-week average is no longer below the 13-week average, a key indicator for the trend. The two averages are nearly on top of each other as the labor market remains challenging for some workers, despite record openings and robust hiring in July. The surge in Covid cases related to the delta variant has not caused a renewed spike in joblessness as there have been few shutdowns so far, but it does appear to be hindering further labor improvement in August.

Our Nowcast model suggests claims were higher this week, potentially over 400k again.



Claims vs. Nowcast Index Data - since Covid





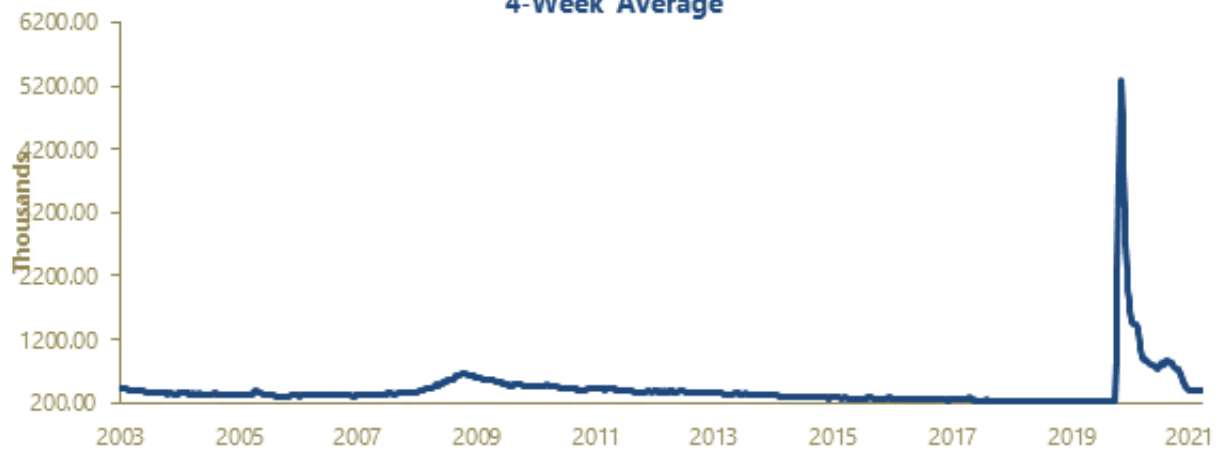
Jobless Claims FELL by 12k during the week ended August 7th to 375k, compared with market expectations for an increase to 375k. The 4-week average ROSE by 1.8k to 396k and the 13-week average FELL by 7.9k, also to 396k.

Continuing Claims FELL by 114k during the week ended July 31st to 2,866k, The 4-week average FELL by 100k to 3,101k.

On a non-seasonally adjusted basis, Continuing Claims FELL by 113k to 2,818k during the week ended July 24th.

The Insured Jobless Rate FELL by 0.1% to 2.1% during the week ended July 31st. The insured jobless rate only reflects the number of people collecting regular state unemployment insurance.

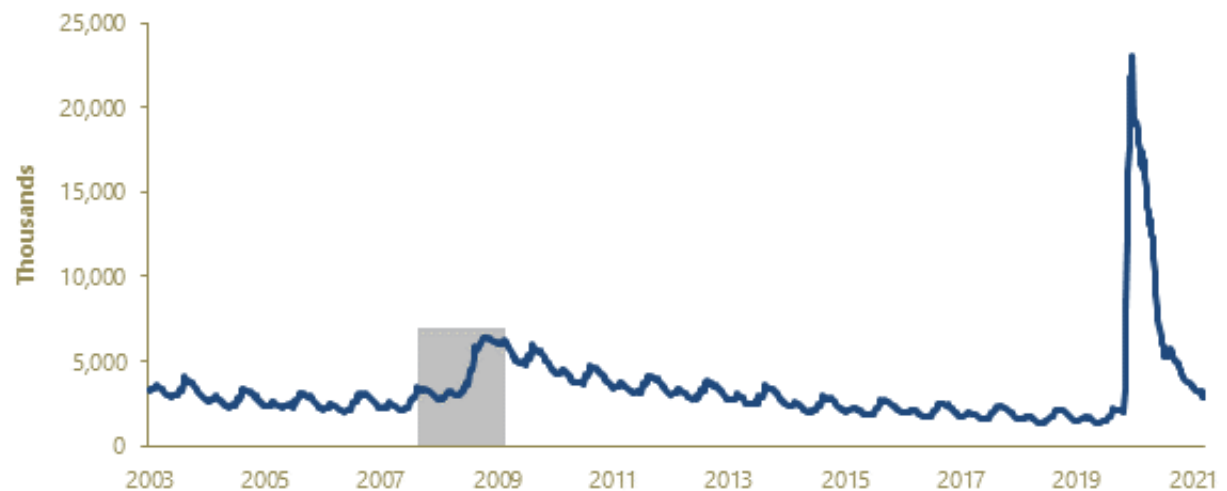
Initial Claims
4-Week Average



Persons Collecting Unemployment Compensation
Not Seasonally Adjusted

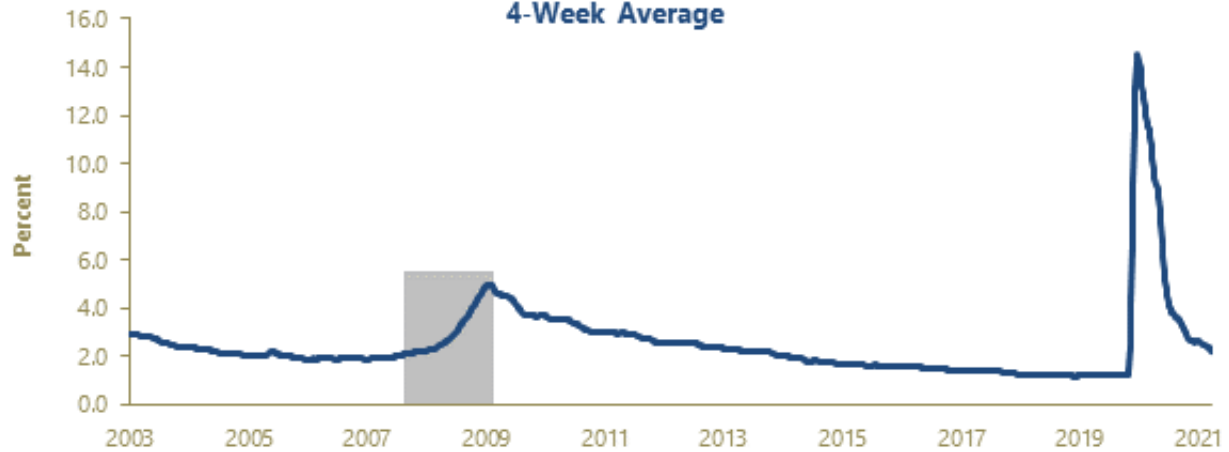


Continuing Claims
Not Seasonally Adjusted



Insured Jobless Rate

4-Week Average



	7-Aug	31-Jul	24-Jul	17-Jul	10-Jul	3-Jul	26-Jun	19-Jun	12-Jun
Initial Claims (000's)	375	387	399	424	368	386	368	416	418
Weekly Change	-12	-12	-25	56	-18	18	-48	-2	44
4-Week Average	396	395	394	387	385	397	394	399	396
Weekly Change	2	0	8	2	-13	3	-5	3	-7
Continuing Claims (000's)		2,866	2,980	3,296	3,262	3,265	3,367	3,484	3,412
Weekly Change		-114	-316	34	-3	-102	-117	72	-116
4-Week Average		3,101	3,201	3,298	3,345	3,382	3,448	3,485	3,557
Weekly Change		-100	-97	-47	-38	-66	-38	-71	-50
Insured Jobless Rate (%)		2.1	2.2	2.4	2.4	2.4	2.4	2.5	2.5
Source: <i>Employment and Training Administration, Department of Labor via Bloomberg. Our calculations.</i>									
Copyright © Contingent Macro Advisors, LLC. All rights reserved. Reproduction and/or redistribution are expressly prohibited. "Economic Advisory Service" is a registered									
T.J. Connelly, Head of Research	August 12, 2021			Steven A. Wood, Senior Economic Adviser					