

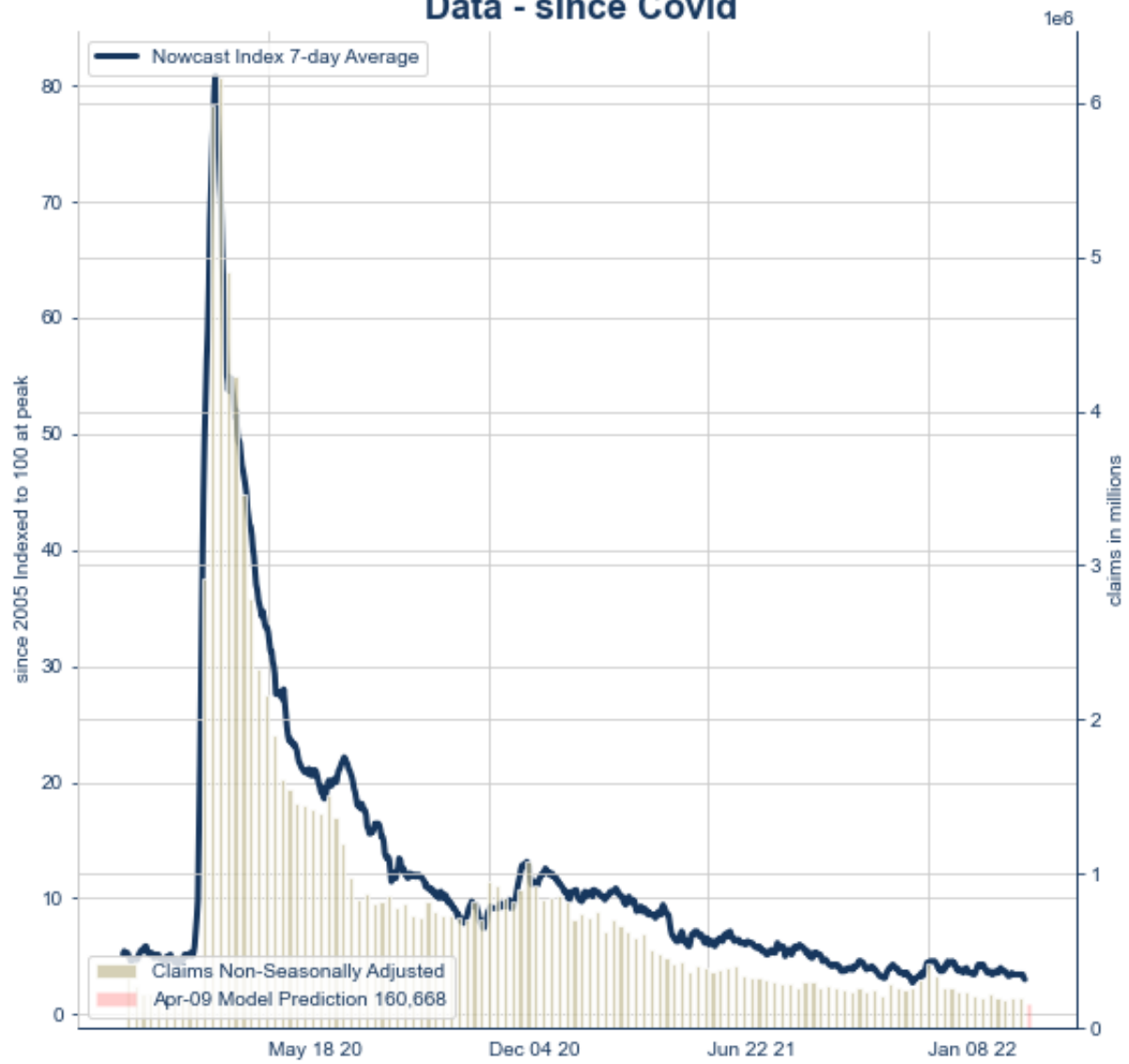
07.Apr.2022

Jobless Claims: Modest Rebound

Bottom Line: The Bureau of Labor Statistics revised its method for seasonally adjusting jobless claims, bringing the newly reported figures sharply lower. In normal times seasonal adjustments are best done with a multiplicative model, but in times of a large increase in the level of a time series an additive model is often used because multiplicative models can over-adjust. The BLS switched from multiplicative to additive shortly after the pandemic hit and has now switched back to a multiplicative model. That resulted in a drop in the seasonally adjusted claims of 31k last week. Seasonally adjusted claims are now well below pre-pandemic lows, hitting 166k last week. Overall, the adjustments are significant but don't change the trend, which is critical for assessing the labor market weekly. The trend in claims continues to suggest an improving and tight labor market. Our Nowcast model predicts unadjusted claims and suggests this week is running a touch lower than last week.



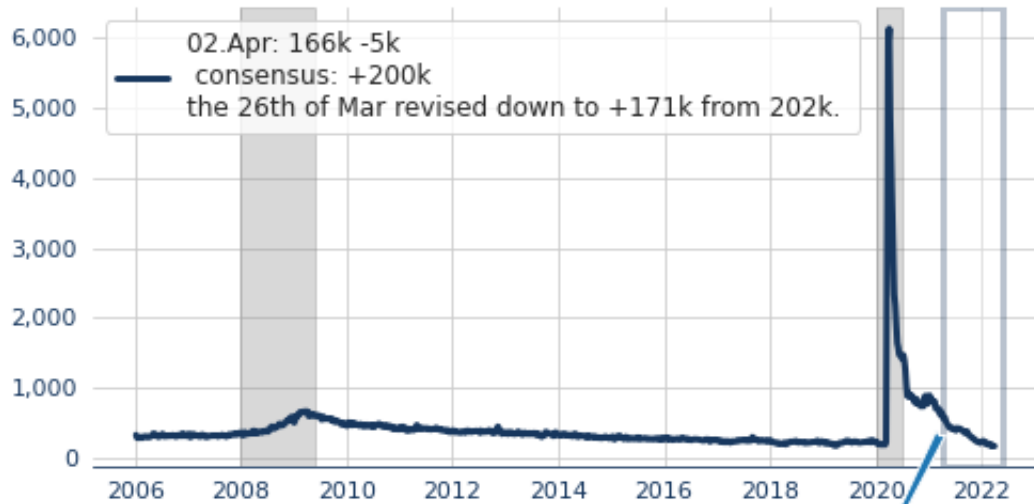
Claims vs. Nowcast Index Data - since Covid



Initial Jobless Claims

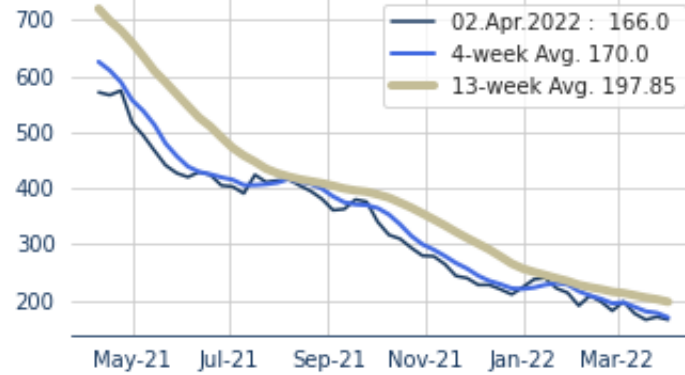
02.Apr: 166k -5k

consensus: +200k



Recent Trends

Contingent Macro Advisors 2021 source: BLS via FRED

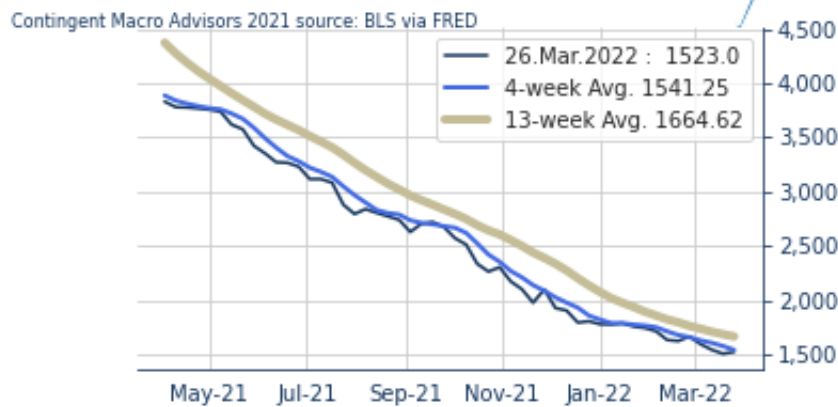


Continuing Claims

26.Mar: 1.523M +17k
consensus: +1.311M



Recent Trends



Initial Jobless Claims FELL 5k in the week ended April 2nd to 166k, BELOW the 4-week average of 170k, BELOW the 13-week average of 197.8k, and 479k BELOW the year-ago level. Claims for the 26th of Mar were revised down from +202k to +171k. Non-seasonally adjusted Claims FELL 3.674k

Continuing Claims ROSE 17k in the week ended March 26th to 1.523M, BELOW the 4-week average of 1.54125M, BELOW the 13-week average of 1.6M, and 2.336M BELOW the year-ago level. Continuing Claims for the 19th of Mar were revised up from +1.307M to +1.506M.

US Weekly Jobless Claims in 000s	Apr-02	Mar-26	Mar-19	Mar-12	Mar-05	Feb-26	Feb-19	Feb-12
Initial Jobless Claims SA	166.00	171.00	166.00	177.00	198.00	182.00	198.00	209.00
wk chg (SA)	-5.00	5.00	-11.00	-21.00	16.00	-16.00	-11.00	18.00

Initial Jobless Claims NSA	193.14	196.81	182.34	203.91	219.88	196.05	215.98	239.81
wk chg (NSA)	-3.67	14.47	-21.57	-15.96	23.83	-19.93	-23.83	9.07
4-week avg (SA)	170.00	178.00	180.75	188.75	196.75	195.00	203.00	209.00
chg in 4wk avg	-8.00	-2.75	-8.00	-8.00	1.75	-8.00	-6.00	-7.75
13-week avg (SA)	197.85	202.31	205.38	209.54	213.46	215.77	220.23	223.77
chg in 13k avg	-4.46	-3.08	-4.15	-3.92	-2.31	-4.46	-3.54	-4.31
Continuing Claims in 000s (one week lag)	Mar-26	Mar-19	Mar-12	Mar-05	Feb-26	Feb-19	Feb-12	Feb-05
Continuing Claims SA	1523.00	1506.00	1542.00	1594.00	1664.00	1623.00	1633.00	1714.00
wk chg (SA)	17.00	-36.00	-52.00	-70.00	41.00	-10.00	-81.00	-29.00
Continuing Claims NSA	1650.79	1671.15	1722.21	1804.32	1912.17	1852.10	1910.83	1971.49
wk chg (NSA)	-20.36	-51.05	-82.11	-107.86	60.07	-58.73	-60.65	-27.96
4-week avg (SA)	1541.25	1576.50	1605.75	1628.50	1658.50	1678.25	1711.75	1750.25
chg in 4wk avg	-35.25	-29.25	-22.75	-30.00	-19.75	-33.50	-38.50	-15.50
13-week avg (SA)	1664.62	1686.31	1708.38	1736.23	1761.85	1795.23	1822.38	1858.31
chg in 13k avg	-21.69	-22.08	-27.85	-25.62	-33.38	-27.15	-35.92	-35.23

source: Bureau of Labor Statistics via St. Louis Fed FRED