

DAILY GLOBAL
COMMENTARY

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Jobless Claims Data are Mildly Positive, Verification Awaited from July Employment Report

August 6, 2009

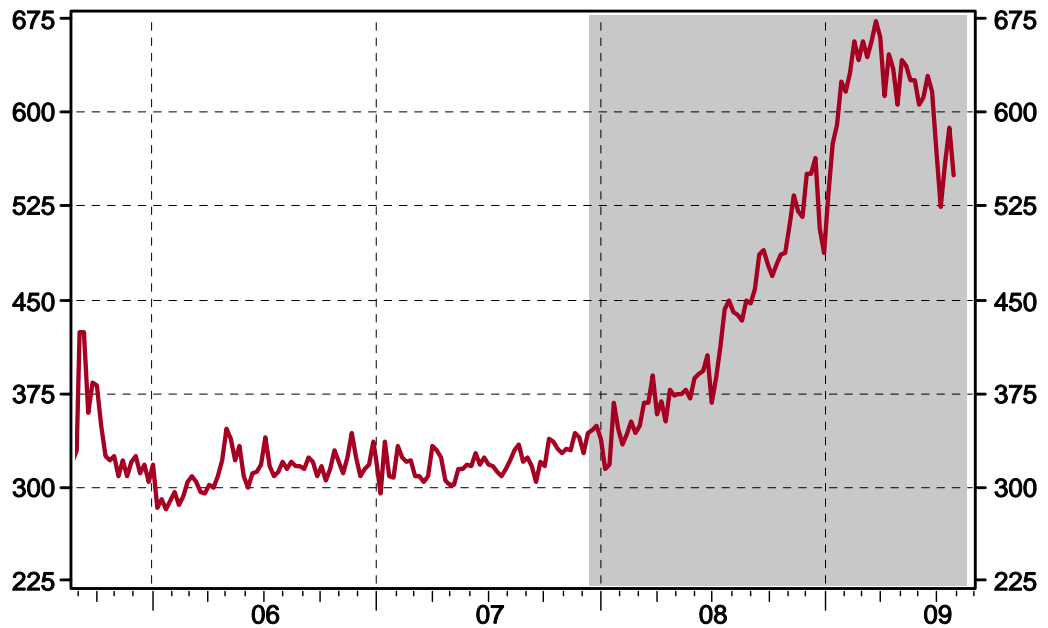
Initial jobless claims fell 38,000 to 550,000 during the week ended August 1. Continuing claims, which lag initial claims by one week, rose 69,000 to 6.31 million. The insured unemployment rate has held steady at 4.7% for four straight weeks.

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Chart 1

Unemployment Insurance: Initial Claims, State Programs

SA, Thous



Source: Department of Labor /Haver Analytics

Recipients of the Extended Benefits and Emergency Unemployment Compensation should be added to continuing claims to get the whole picture. Claims under these two programs lag initial jobless claims by two weeks and continuing claims by one week. The sum of seasonally adjusted continuing claims and seasonally unadjusted claims under the two special programs stands at 9.48 million, with the peak at 9.72 million (week ended June 27). As chart 2 shows, continuing claims have peaked and the year-to-year change of seasonally unadjusted initial claims is showing a decelerating trend (see chart 3). The July employment report holds the key to whether the improvements reflected in the jobless claims reports are consistent.

Chart 2
 Continuing Claims: Regular + Special Programs

Regular Claims, SA , Special programs, NSA (millions)

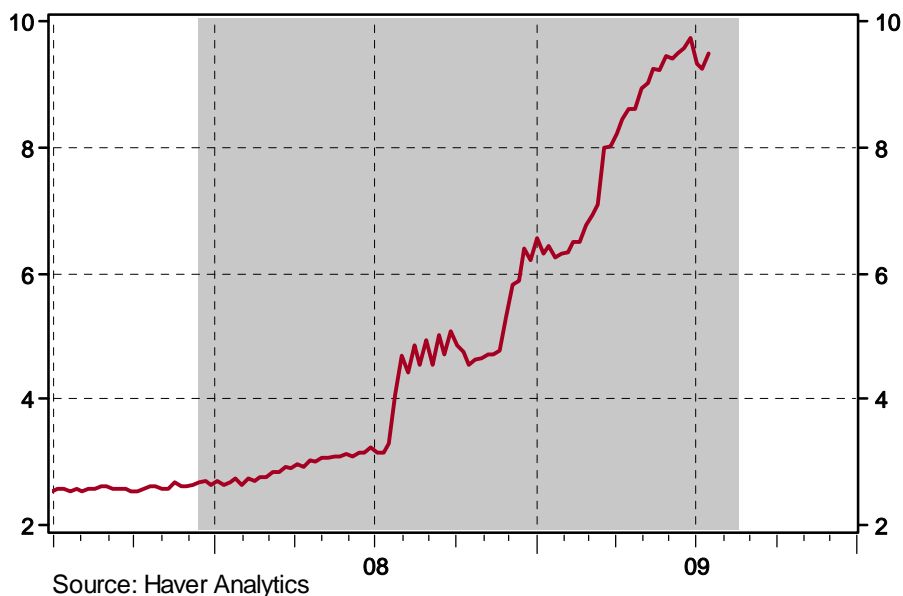
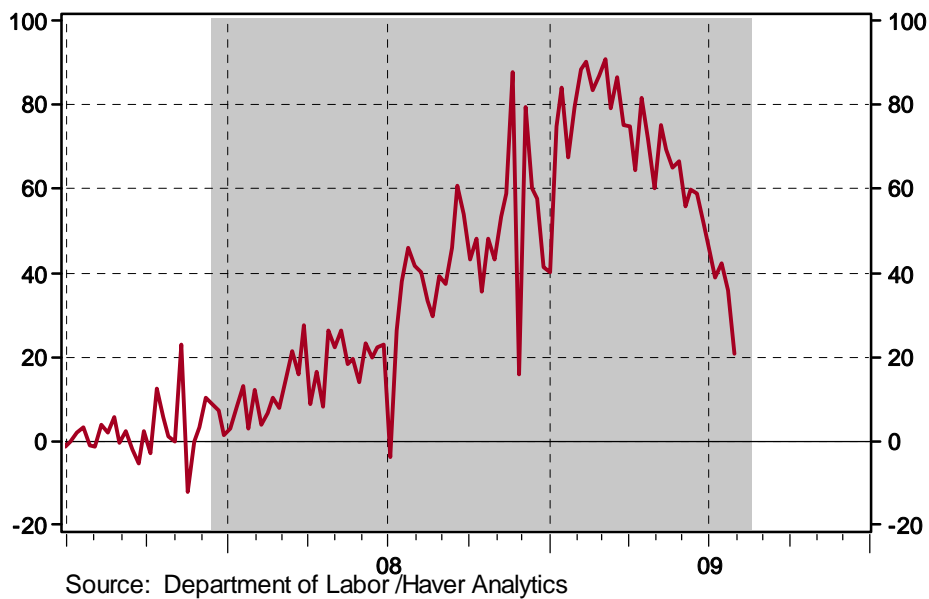


Chart 3
 Unemployment Insurance: Initial Claims, State Programs

% Change - Year to Year NSA, Thous



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