

Economics Group

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No Time to Waste as Jobless Claims Rise

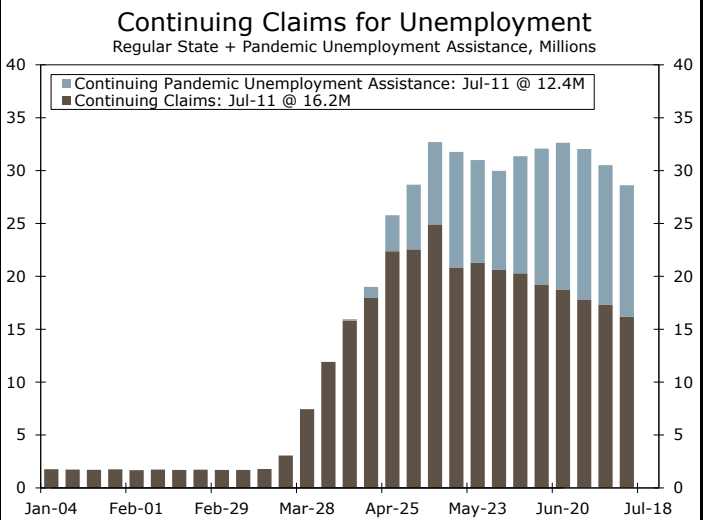
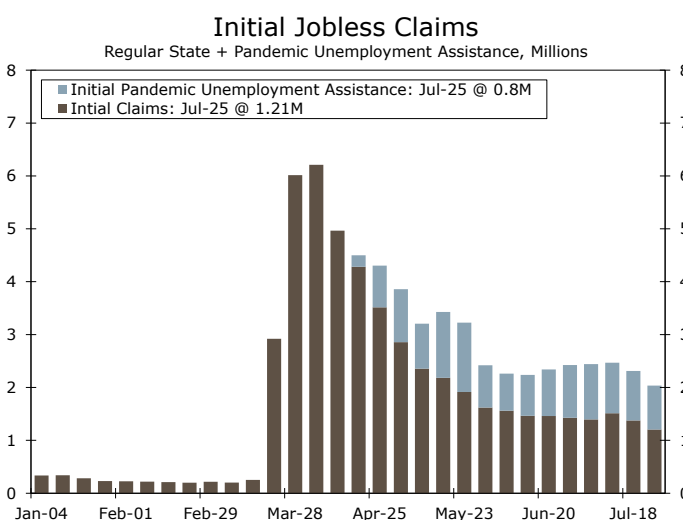
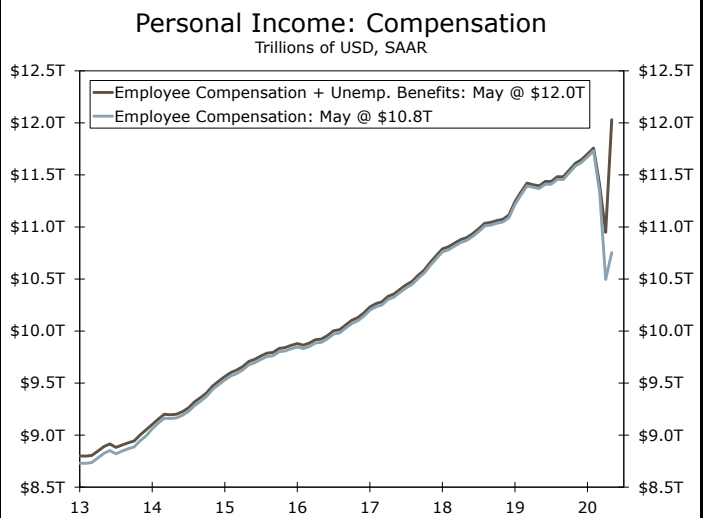
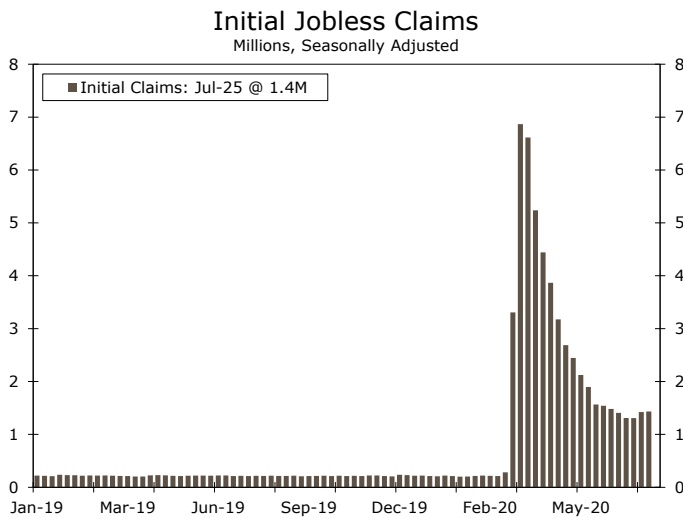
Jobless claims rose for a second week as the recovery has stalled. More than 30M workers are receiving some form of jobless benefits, while the clock on emergency federal benefits runs out tomorrow.

Government Data Begins to Show Recovery Faltering

- Initial jobless claims for regular benefits rose for a second straight week, to 1.43 million. Not seasonally adjusted, new claims under both the regular state and Pandemic Unemployment Assistance program fell over the week, but remain alarmingly high at 2.04 million.
- Through the noise, the trend is little changed and confirms that the economy's recovery has lost momentum in recent weeks.

Down to the Wire

- The insured unemployment rate headed back up last week and stands at 11.6%. Congress continues to debate the extension of the \$600/week in emergency benefits, which are set to expire tomorrow. Unemployment benefits have helped to shore up income as millions of jobs have disappeared over a couple of months. The stakes are high with more than 30 million workers collecting unemployment insurance.



Source: U.S. Department of Labor, U.S. Department of Commerce and Wells Fargo Securities

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