



Weekly Unemployment Claims: 860K New Claims Last Week

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of Advisor Perspectives

Here is the opening statement from the Department of Labor:

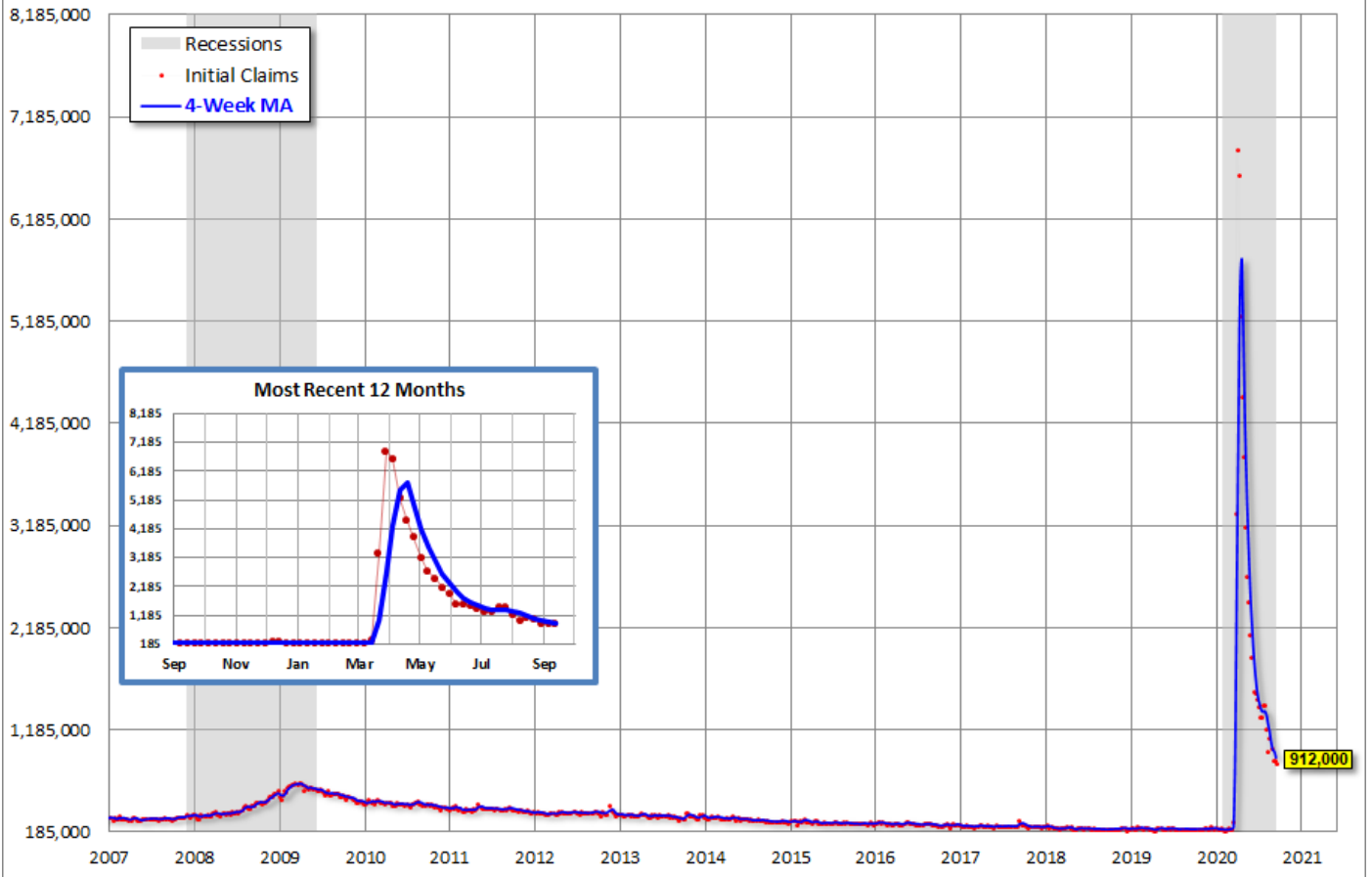
SEASONALLY ADJUSTED DATA

In the week ending September 12, the advance figure for seasonally adjusted initial claims was 860,000, a decrease of 33,000 from the previous week's revised level. The previous week's level was revised up by 9,000 from 884,000 to 893,000. The 4-week moving average was 912,000, a decrease of 61,000 from the previous week's revised average. The previous week's average was revised up by 2,250 from 970,750 to 973,000.

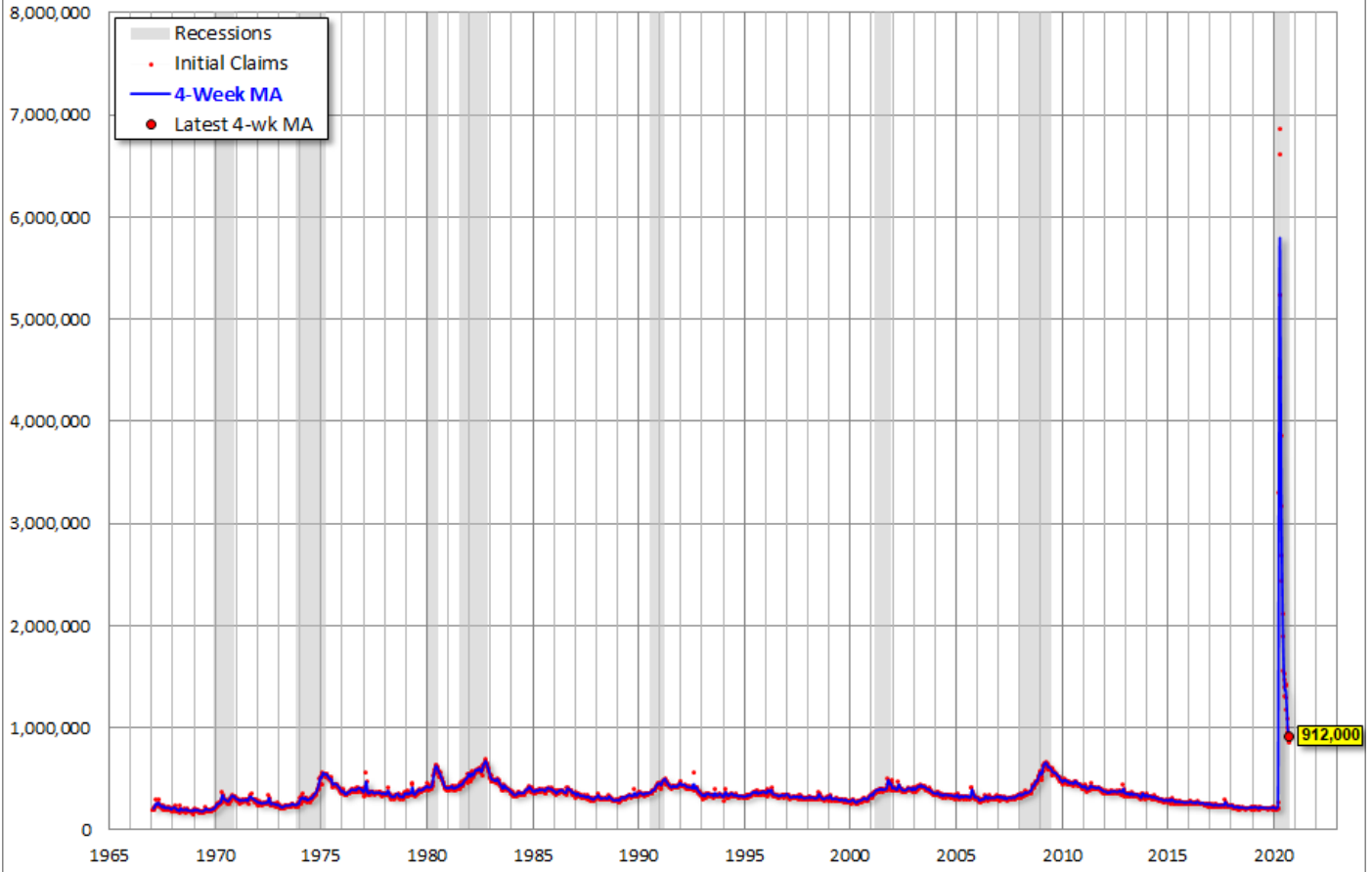
The advance seasonally adjusted insured unemployment rate was 8.6 percent for the week ending September 5, a decrease of 0.7 percentage point from the previous week's revised rate. The previous week's rate was revised up by 0.1 from 9.2 to 9.3 percent. The advance number for seasonally adjusted insured unemployment during the week ending September 5 was 12,628,000, a decrease of 916,000 from the previous week's revised level. The previous week's level was revised up 159,000 from 13,385,000 to 13,544,000. The 4-week moving average was 13,489,000, a decrease of 532,750 from the previous week's revised average. The previous week's average was revised up by 39,750 from 13,982,000 to 14,021,750. [See full report]

This morning's seasonally adjusted **860K** new claims, down 33K from the previous week's revised figure, was worse than the Investing.com forecast of 850K.

Here is a close look at the data over the decade (with a callout for the past year), which gives a clearer sense of the overall trend.



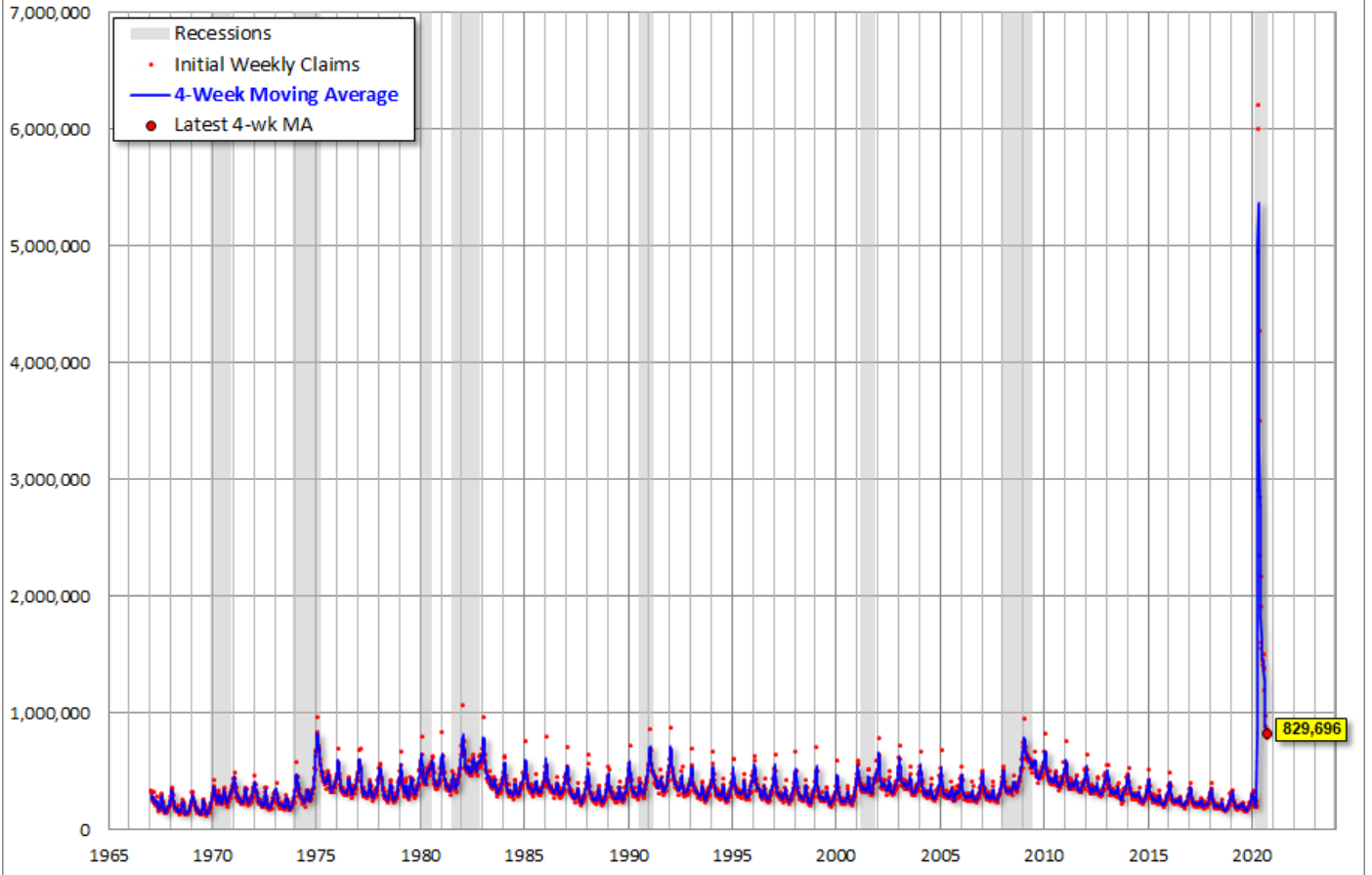
As we can see, there's a good bit of volatility in this indicator, which is why the 4-week moving average (the highlighted number) is a more useful number than the weekly data. Here is the complete data series.



The headline Unemployment Insurance data is seasonally adjusted. What does the non-seasonally adjusted data look like? See the chart below, which clearly shows the extreme volatility of the non-adjusted data (the red dots). The 4-week MA gives an indication of the recurring pattern of seasonal change (note, for example, those regular January spikes).

Unemployment Insurance Weekly Claims Report

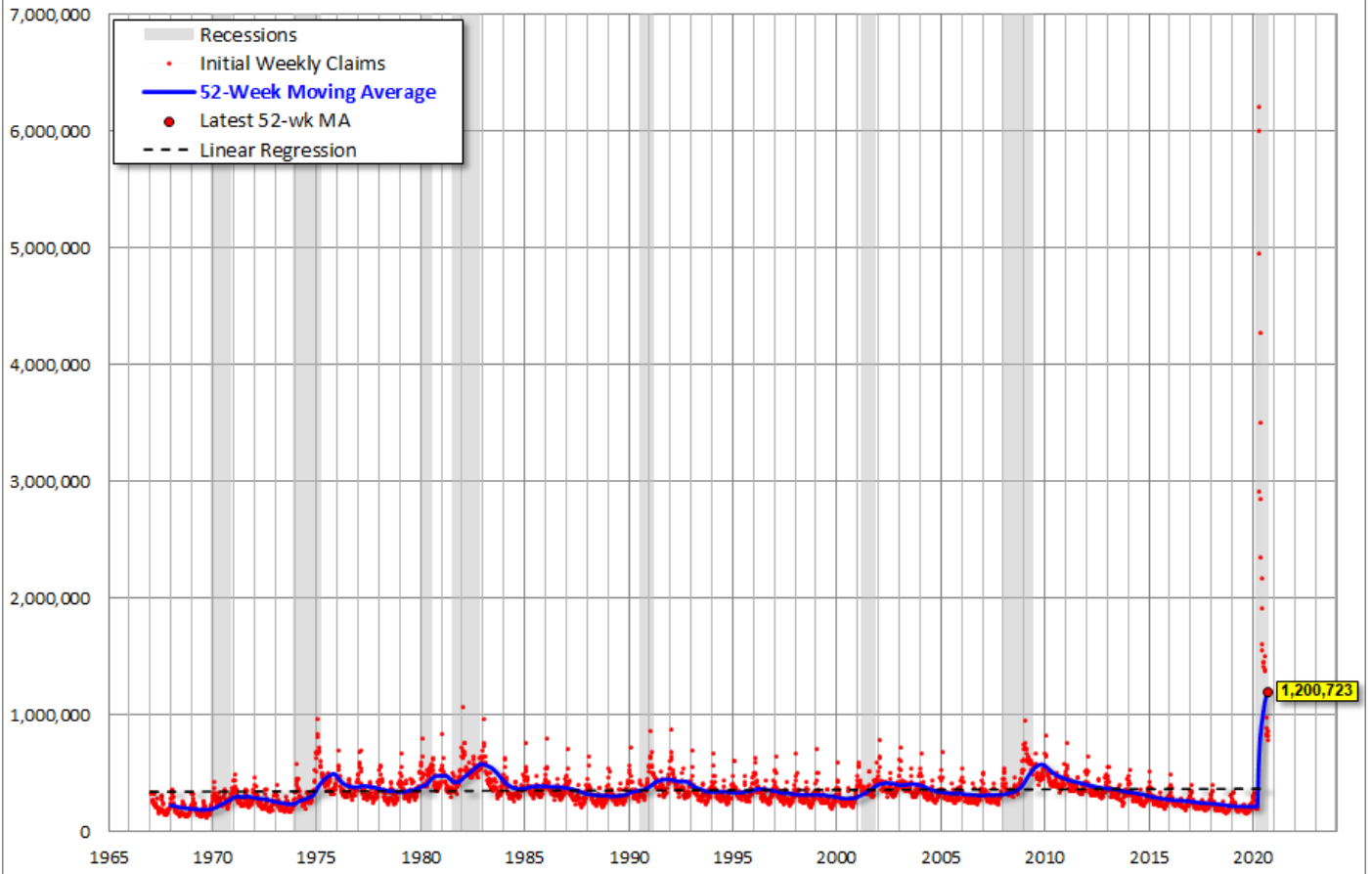
Not Seasonally Adjusted with the Four-Week Moving Average



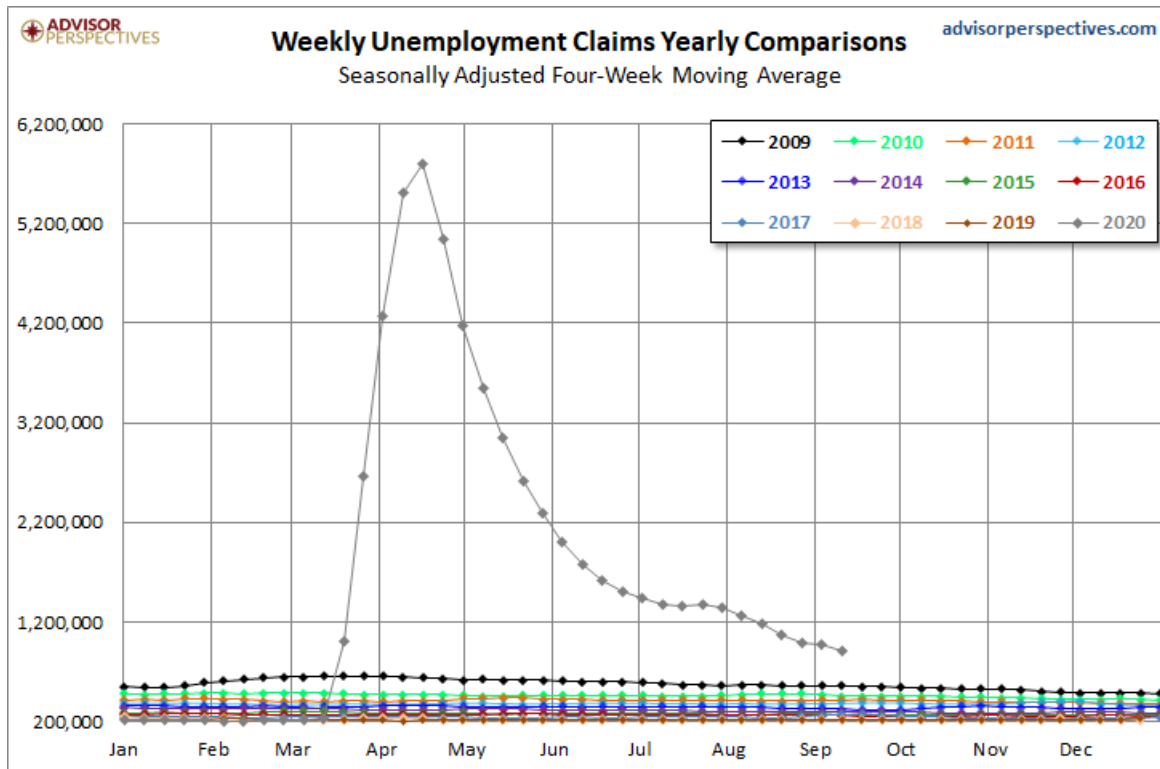
Because of the extreme volatility of the non-adjusted weekly data, we can add a 52-week moving average to give a better sense of the secular trends. The chart below also has a linear regression through the data.

Unemployment Insurance Weekly Claims Report

Not Seasonally Adjusted with the 52-Week Moving Average

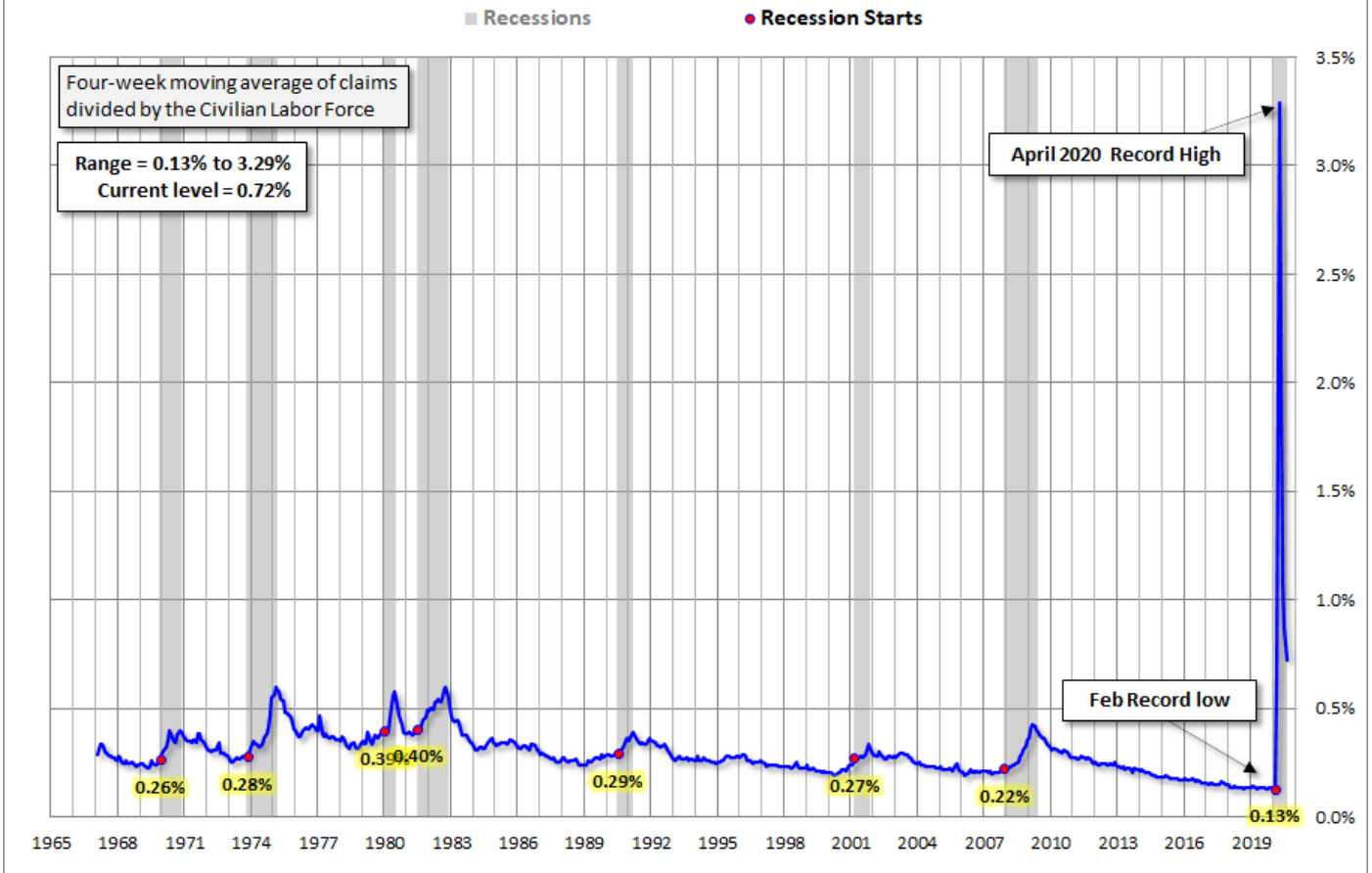


Here's a look at each year's claims going back to 2009.



For an analysis of unemployment claims as a percent of the labor force, see this regularly updated piece [The Civilian Labor Force, Unemployment Claims and the Business Cycle](#). Here is a snapshot from that analysis.

Percent Ratio of Initial Unemployment Claims to the Civilian Labor Force



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