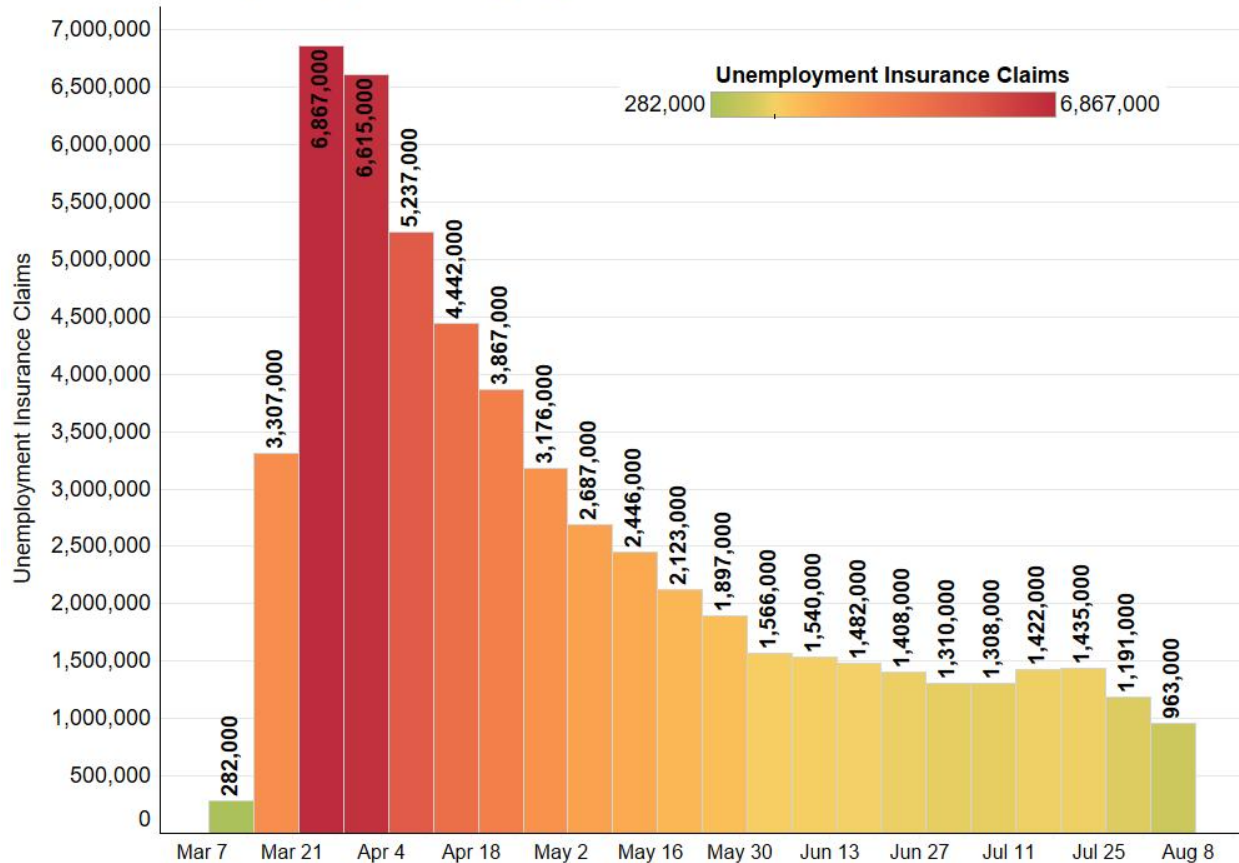


Unemployment Claims Drop to 963,000 as Labor Market Slowly Heals

Initial claims for unemployment finally fell below 1 million last week, coming in at 963,000 [according to the Department of Labor](#). That's a drop of 228,000 from the previous week, and the first time since mid-March that initial claims have been below 1 million.

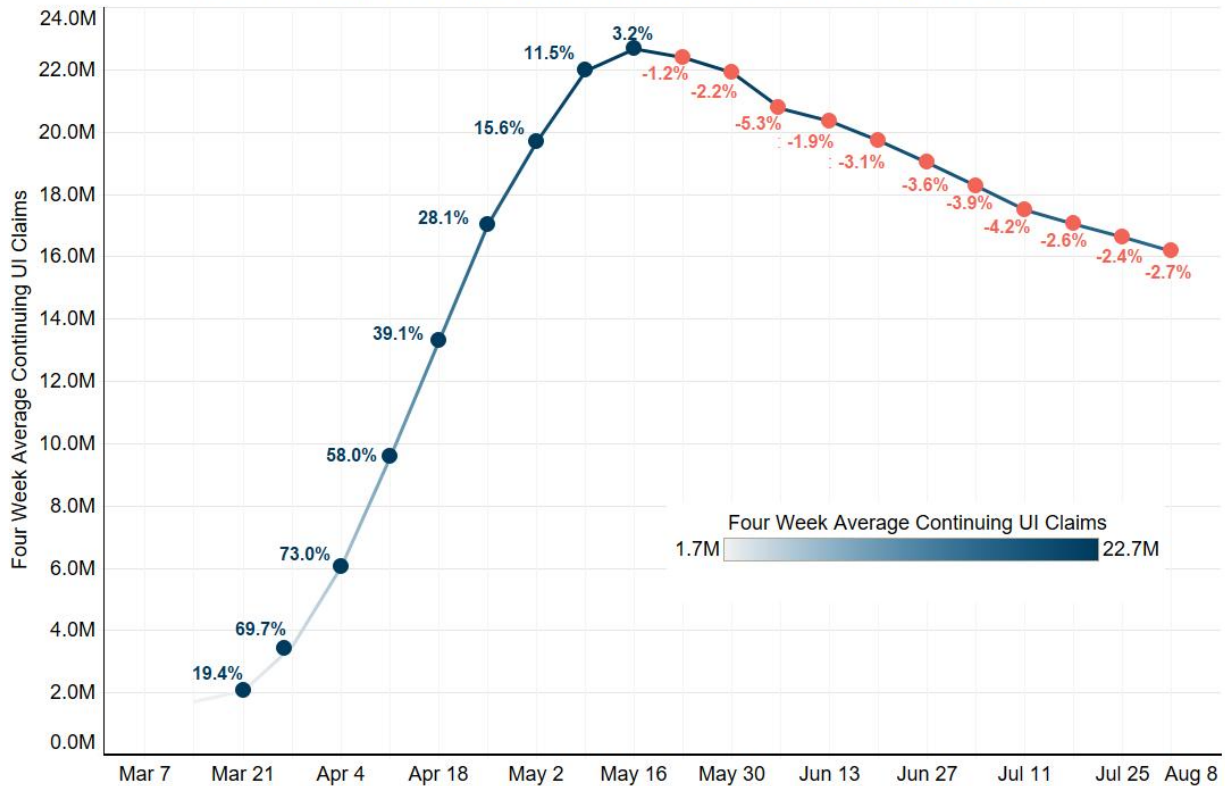
Historically High Unemployment Insurance Claims Continue



Further good news comes from continuing claims, which subtract off those no longer claiming benefits because they have presumably gone back to work. Continuing claims were 15.5 million last week, a drop of 604,000 from the previous week, and the lowest level since the crisis began. The four-week average of continuing claims fell by more than 454,000 as well.

Yes, but: While certainly it is good news to see claims falling, claims are still historically elevated. It would be great to see a further deceleration of new claims in the coming weeks.

Continuing Unemployment Claims are Falling Slowly



Our take: The labor market is healing - slowly but steadily. Hopefully the healing will quicken its pace in the coming weeks. It will do so if virus levels continue to decline, allowing more businesses to open and to hire more freely.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce