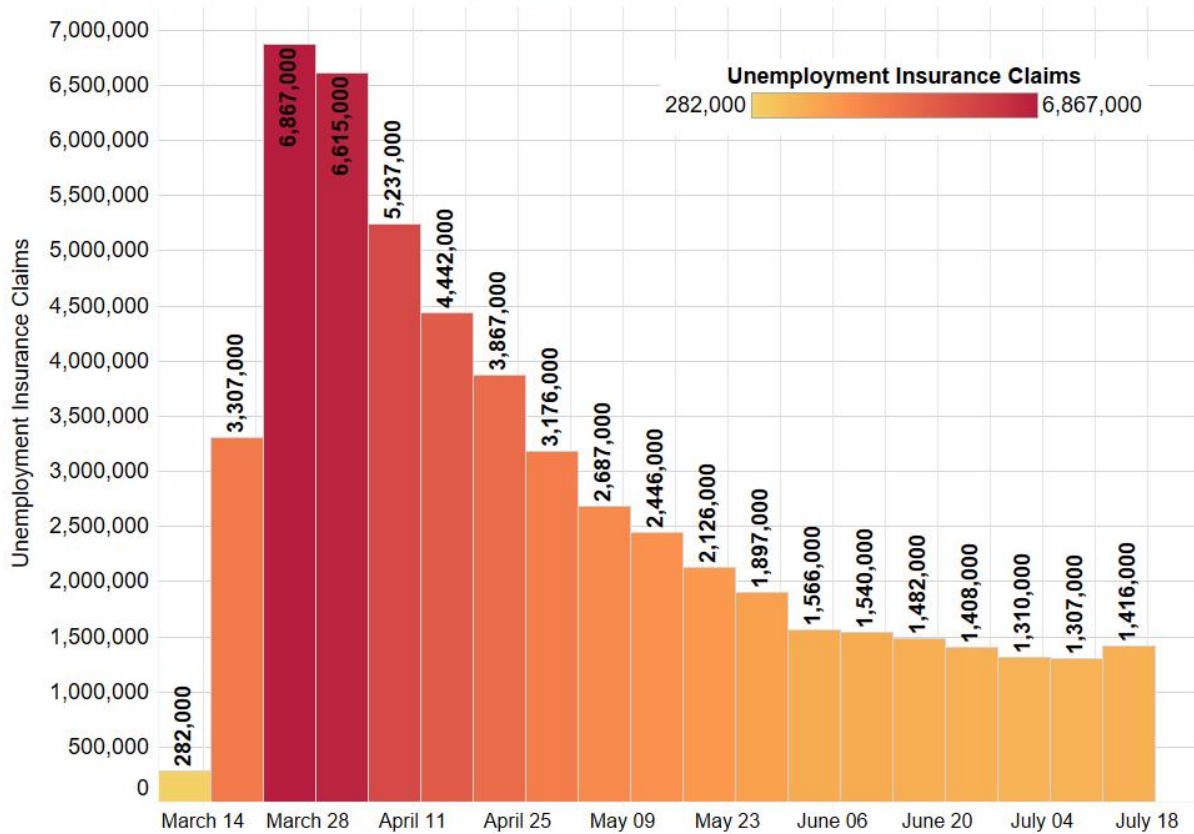


## 1.4 Million Americans Claim Unemployment Last Week

The labor market appears to have taken a wrong turn. Initial unemployment claims had been consistently declining since March, although they have remained stubbornly above one million a week.

The [Department of Labor reports today](#) that more than 1.4 million Americans filed an initial claim for unemployment benefits last week. That is 109,000 more than the week before and breaks a 15-week streak of declines. In total, 52.7 million Americans have filed for unemployment since the COVID-19 shock hit in mid-March.

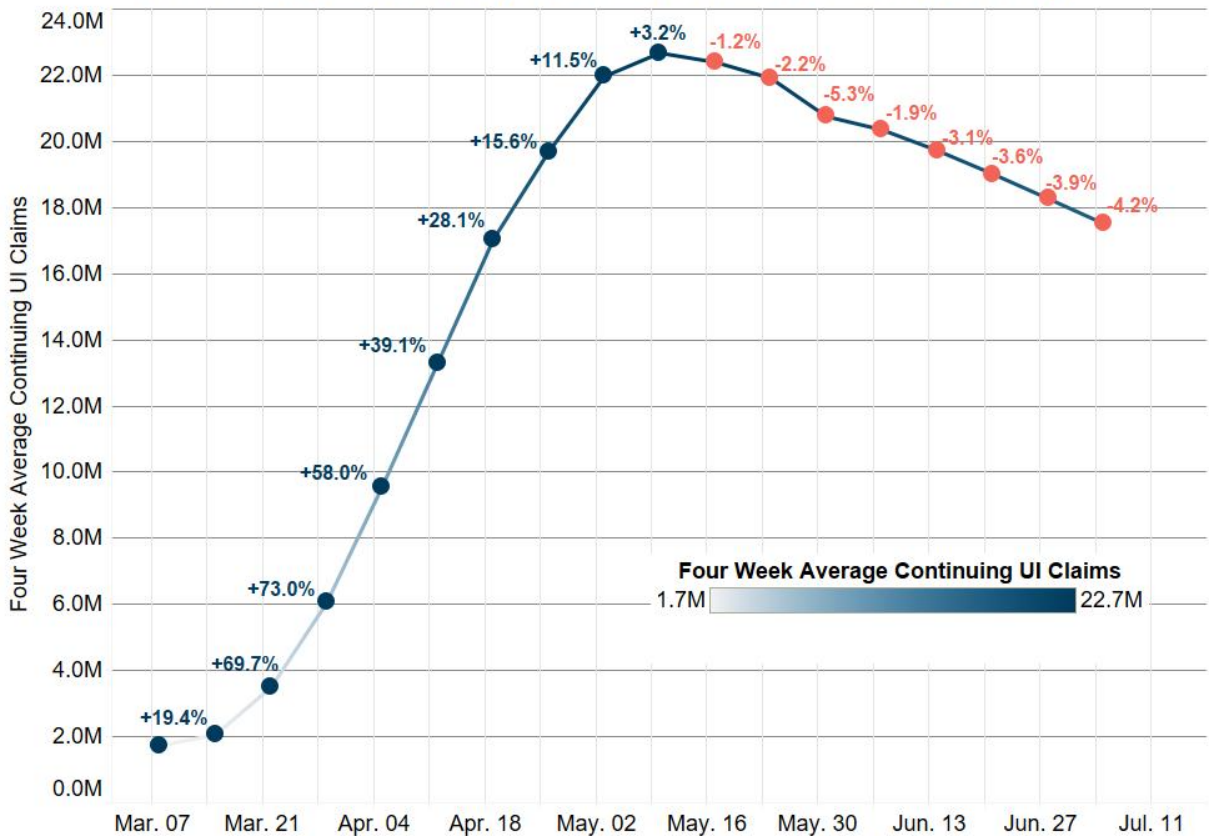
### Historically High Unemployment Insurance Claims Continue



Continuing claims are also an important metric. They account for those that have claimed unemployment, but subtracts those that are no longer claiming benefits, hopefully because they have returned to work. As the labor market is churning at a historic rate (a high volume of workers are still losing jobs as many head back to work), continuing claims provide a more comprehensive view of what is happening.

For the week ending July 11, continuing claims were about 16.2 million. That is down more than 1.1 million from the week before. The four-week average of claims is now 17.5 million. That is down 758,500 from the week before. The four-week average of continuing claims has fallen almost 5.2 million since its peak in May.

## Continuing Unemployment Claims are Falling Slowly



Continuing claims are a brighter picture, for now. If the number of initial claims continue to increase, continuing claims will similarly halt their decline and increase too.

Economic recoveries always have bumps in the road. This recovery is proving it is no exception, despite the likely historically short recession that preceded it.

The recovery is linked to the spread of the virus. The recent uptick of infections has slowed the recovery that was accelerating as the virus declined. The recovery will accelerate again when the spread declines again. It is unusual for the economy's performance to be tied so tightly to outside events, but we are in unusual times.

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