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Initial Claims

Initial claims fall a slightly less-than-expected 13,000 (Consensus: -19,000; Decision Economics: -17,000) from a prior-week level revised up by 4,000.

The new result does support the view that the jump of 31,000 seen last week was largely due to a seasonal adjustment glitch--but the unwinding of that move was not so decisive as to absolutely rule out that layoffs have picked up a bit in recent weeks.

Employment forecasts may become slightly more conservative, but the general payroll-April picture still looks very similar to payroll March--so that forecasts keyed off of the claims numbers will still tend to be very similar to the actual March outcome.

The new figure covered the April payroll-survey week, closing out the five-week month. The latest results put month-average claims at 398,000, up a marginally meaningful 9,000 from the payroll-March level. Meanwhile, the continuing claims total, with four out of five weeks now reported, is tracking in line with the March trend.

The broad similarity between March and April developments should point to a roughly similar payroll-employment outcome--on the critical presumption that new hiring occurs at roughly the same pace. Optimism on that front has often been disappointed--but the March numbers did hint at a clear turn for the better.

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