DECISION ECONOMICS, INC.
Information for Decisions™

New York: 212 884 9440
London: 011 44 20 7814 6706
Boston: 617 994 0500
Email: decisioneconomics@pdeeco.com

Pierre Ellis

April 7, 2011

Initial Claims

Initial claims fall a more than expected 10,000 (Consensus and Decision Economics: -3,000) from a prior-week level revised up by 4,000. No special factors were cited by Labor Department analysts.

The new figure covered the third of five payroll-April weeks, and, at 382,000, put the month-to-date average weekly number at 389,000--absolutely unchanged from the payroll-March average. That implication was expected going in, so the only new news in the report is that the latest number itself is a few thuosand lower than the expected figure (385,000) would have been--a very mild hint of further downward motion.

The so-far-flat claims trend in April relative to March compares with a drop of 31,000 between the February and March averages--so layoffs, apparently, have stopped falling, for the moment. But, even the March level was down within the higher end of the "normal" non-recessionary range of layoffs.

Many payroll forecasts will gravitate to the zone of the March result--on the assumption that the pace of new hiring in April will be close to the comparatively healthy March rate.

© 2010 Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.