

# National Week In Review

## Week Ending August 11, 2006

**I**nitial Unemployment Insurance Claims Up . . . The number of Americans filing new claims for unemployment benefits increased by 7,000 to 319,000 in the week ending August 5<sup>th</sup>. However, the four-week average of new claims, which smoothes out the data to reduce the impact of one-time events such as holidays and weather, fell by 3,750 to 308,750. **South Carolina** was one of five states reporting a decline in initial claims of more than 2,500 compared to the previous week. Initial claims in South Carolina were down 2,595 due to fewer layoffs in the manufacturing industry. The state data lags behind the national jobless claims data by one week.

**Extended Mass Layoffs 2<sup>nd</sup> Quarter 2006 . . .** In the second quarter of 2006, employers had 1,213 mass layoff events, resulting in 184,543 workers filing initial claims for unemployment insurance. The number of layoff events was essentially unchanged compared to the second quarter of 2005. However, initial claims were down 28,130 (13.2%) over the same period. In **South Carolina**, there were 8 mass layoff events resulting in 1,241 initial claims and 1,115 separations. All numbers were down compared to the second quarter of 2005. Separations were down 683 (38.0%), and initial claims declined by 774 (38.4%) from one fewer mass layoff event. The quarterly series on extended mass layoffs cover layoffs of at least 31-days duration that involve 50 or more individuals from a single establishment filing initial claims for unemployment insurance during a consecutive 5-week period.

**Retail Sales On The Rise . . .** Retail sales increased at the fastest pace in six months, up 1.4% in July. Sales at automobile dealerships and parts stores jumped 3.1%, as automakers used incentives to boost vehicle sales. Gasoline station sales climbed 2.5%, as higher gasoline prices helped boost receipts. Sales at electronics and appliances rose 1.9%, the biggest rise in six months. Sales at clothing and furniture stores rose 0.7% and 0.5%, respectively. Economists closely monitor retail sales to track trends in overall consumer spending, which makes up about two-thirds of U.S. economic activity.

### Sources:

- ❑ Bureau of Labor Statistics
- ❑ MarketWatch
- ❑ U.S. Department of Labor

**By Mike Daniels**