

# *National Week In Review*

## *Week Ending September 22, 2006*

**R**egional and State Unemployment . . . In August, the South continued to post the lowest regional unemployment rate at 4.5%, followed by the West (4.6%), Northeast (4.8%) and the Midwest (5.1%). Hawaii posted the lowest state seasonally-adjusted unemployment rate at 2.8%. Arizona posted the lowest jobless rate in its series at 3.6%. Mississippi and Michigan both recorded the highest unemployment rate at 7.1%, followed by Alaska (6.5%), **South Carolina (6.5%)**, West Virginia (5.9%), and Kentucky (5.8%).

**Mass Layoffs Claims Up** . . . In August, employers had 1,193 mass-layoff events, seasonally adjusted, resulting in 127,944 workers filing initial claims for unemployment insurance. The number of layoff events increased by 68 and the number of associated initial claims rose by 13,049 over the month. The manufacturing sector accounted for 29% of all mass-layoff actions and 39% of all initial claims filed. Within manufacturing, the highest number of initial claims were recorded in transportation equipment manufacturing (+12,428, mostly automotive-related), wood product manufacturing (+2,240), and machinery manufacturing (+2,210). Among the states, California had the highest number of initial claims filed due to mass layoff events at 20,339, followed by New York (+7,042), Kentucky (+5,785), Pennsylvania (+4,815), and Ohio (+3,772). In **South Carolina**, there were 12 mass-layoff events resulting in 1,267 initial claims. A mass-layoff event covers layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs.

**Wholesale Inflation Up For The 6<sup>th</sup> Consecutive Month** . . . The Producer Price Index (PPI), which measures the cost of a basket of goods and services from the perspective of the seller, rose for the 6<sup>th</sup> consecutive month, up 0.1% in August to 161.9 (1982 = 100). Food prices jumped 1.4%, led by higher prices for fresh and dry vegetables (+20.7%), eggs (+20.5%), fresh fruits and melons (+19.1%), and turkey (+12.6%). Prices for natural gas and electricity rose 1.6% and 1.3%, respectively. Gasoline prices tumbled 2.2%, the biggest decline in seven months. Automobile prices slid 2.6%. The movements of the PPI tend to forecast movements in the Consumer Price Index.

**Source:**

□ Bureau of Labor Statistics

**By Mike Daniels**