

National Week In Review

Week Ending April 14, 2006

Unemployment Rate For Foreign-Born Workers Down In 2005 . . . The jobless rate for foreign-born workers fell 0.9 percentage point to 4.6% in 2005. The Census Bureau, which collects the data, does not distinguish between undocumented and documented immigrants. The jobless rate for native-born workers slid 0.3 percentage point to 5.2%. In South Carolina, the jobless rate for immigrants was 4.3% in 2005 while the jobless rate for native-born citizens was 6.8%, according to the Bureau of Labor Statistics.



CEO Confidence On The Rise . . . The Chief Executive's Confidence (CEO) Measure increased to 57 in the first quarter of 2006, up from 56 in the fourth quarter of 2005. The CEO survey is based on a representative sample of nearly 100 business leaders in a wide range of industries. A reading of more than 50 points reflects more positive than negative responses. Approximately 49% of CEOs report current economic conditions are better, up from 44% in the fourth quarter of 2005. Nearly 46% of CEOs anticipate an increase in employment levels in their industries, up from 44% last year.

Retail Sales Boosted By Auto Sales . . . Retail sales increased 0.6% in March to \$361.0 billion. The main contributor to this month's rise was automobile sales, up 1.6%. Sales gains were registered at building material and garden supply stores (+1.2%); health and personal care stores (+0.8%); sporting goods, hobby, book and music stores (0.6%); and furniture and home furnishing stores (+0.5%). Sales at clothing stores and grocery stores were flat. Sales at electronics and appliance stores slid 1.1%. Economists closely monitor retail sales to track trends in overall consumer spending, which make up about two-thirds of U.S. economic activity.

Plant Use Highest In 5½ Years . . . Production at the nation's factories, mines and utilities jumped 0.6% in March. Factory production, which makes up more than four-fifths of overall industrial output, rose 0.5%. The leading contributor was the production of motor vehicles and parts, up 1.5%. Production of technology equipment, such as computers, communications equipment and semiconductors, climbed 2.7%. The proportion of overall industrial capacity in use rose in March to 81.3, the highest since September 2000. Economists look at this capacity utilization figure for clues about future inflation. Higher-than-average operating rates increase the risk of bottlenecks in the production process that will encourage manufacturers to raise prices.

Jobless Claims Experience Unexpected Rise . . . The number of Americans filing new claims for unemployment benefits rose by 12,000 to 313,000 in the week ending April 8th. Although, the increase was more than economists were expecting, claims were still at a level pointing to a good job climate. 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, decreased by 1,500 to 309,000. Meanwhile, the number of people continuing to collect unemployment benefits during the week ending April 1st fell by 4,000 to 2.42 million. The four-week average of continuing claims fell by 7,750 to 2.44 million.

Sources:

- Bloomberg

- ❑ *The Charlotte Observer*
- ❑ The Conference Board
- ❑ *The Washington Post*
- ❑ U.S. Census Bureau
- ❑ U.S. Department of Labor

By Mike Daniels