

# With 2.1 million US jobless claims, total eclipses 40 million since pandemic hit

Thursday, May 28, 2020 8:35 AM ET

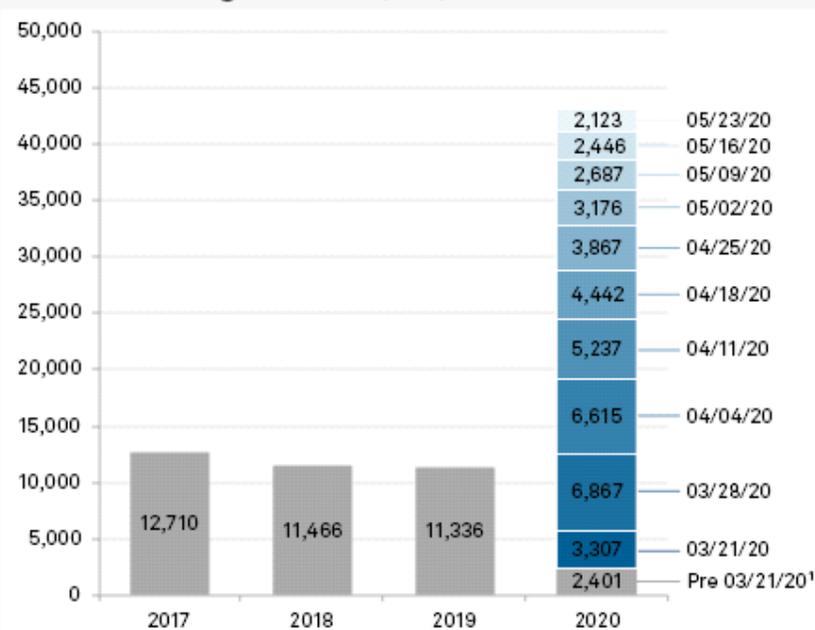
By Aleena Haroon and Evan Fallor  
Market Intelligence

Unemployment claims in the U.S. fell to 2.12 million in the week ended May 23 from a revised 2.45 million in the prior week, the U.S. Department of Labor reported. In 10 weeks of first-time claims that each would have been a record before the coronavirus pandemic, the total now exceeds 40 million.

Claims for the week were projected to total 2.1 million, according to a consensus estimate of economists polled by Econoday, with the range of estimates running from 1.80 million to 2.14 million claims.

The latest print pushed the total number of unemployment claims to about 40.8 million over the last 10 weeks. Before the pandemic, the all-time weekly record was 695,000.

**Initial unemployment claims total 40.8 million since the week ending March 21 (000)**



Data compiled May 28, 2020.  
Yearly figures are calculated by summing together the weekly initial unemployment claims reported during the respective year.  
1 Pre 03/21/20 equals the summed total of the weekly unemployment claims between the week ending Jan. 4, 2020, and March 14, 2020.  
Source: Federal Reserve Bank of St. Louis

**READ MORE:** Sign up for our weekly coronavirus newsletter here, and read our latest coverage on the crisis here.

"This is more than double the number of layoffs you'd ordinarily see at the height of a recession, but the fact that it was the eighth straight weekly decline [in jobless claims] indicates that the trend is moving in the right direction," Tim Quinlan, managing director and senior economist at Wells Fargo Securities, said in an interview.

In the week ended May 16, the seasonally adjusted insured unemployment rate, which measures the proportion of the labor force receiving unemployment benefits, fell to 14.5% from the prior week's revised print of 17.1%. Insured unemployment dropped to 21.05 million from a revised 24.91 million in the prior week.

The four-week moving average fell to 2.61 million from the previous week's revised 3.04 million, the Labor Department reported. One promising element was the drop-off in insured unemployment, which indicated that fewer laid-off workers refiled for benefits.

The decrease in continuing claims signified that some regular workers are returning to jobs as states open up and furloughs begin to end. Still, the figure remains elevated as self-employed workers and those in the gig economy can now claim unemployment insurance under the recently implemented Pandemic Unemployment Assistance program, Rajeev Dhawan, director of the Economic Forecasting Center at Georgia State University, said in an interview.

A total of 7.8 million have claimed unemployment insurance under that temporary program.

"The damage is abating to some extent, but that doesn't mean recovery has begun," Dhawan said. "The bleeding is getting stanchied. It's not a big gush. It's a trickle, but the patient is still deeply wounded."

The continued historically elevated numbers of jobless claims set the stage for what is projected to be a grim May jobs report, to be released June 5, following the 20.5 million jobs lost in the April report, which yielded a 14.7% unemployment rate.

Oxford Economics projected that the unemployment rate will peak at roughly 20% in May before an aggressive jobs recovery as businesses reopen. The firm estimated that the U.S. will recoup 17 million jobs, or 60% of lost jobs, by the end of 2020. Whether these jobs return permanently is largely dependent on a virus vaccine and the duration of capacity restrictions for businesses, which limit revenue and the need for rehiring.

The jobless claims report comes as Congress weighs the prospects of another relief bill for those who have lost their jobs due to the virus. Some groups, including the U.S. Chamber of Commerce, have opposed the proposed extension of \$600 in additional weekly unemployment insurance benefits, which they say discourages low-income returners from returning to work because it pays more than their wage would.

*Jason Woleben and Stefen Joshua Rasay contributed to this article.*

*Article updated at 10:45 a.m. ET on May 28, 2020, to include additional data and economist commentary.*

*This article was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global.*