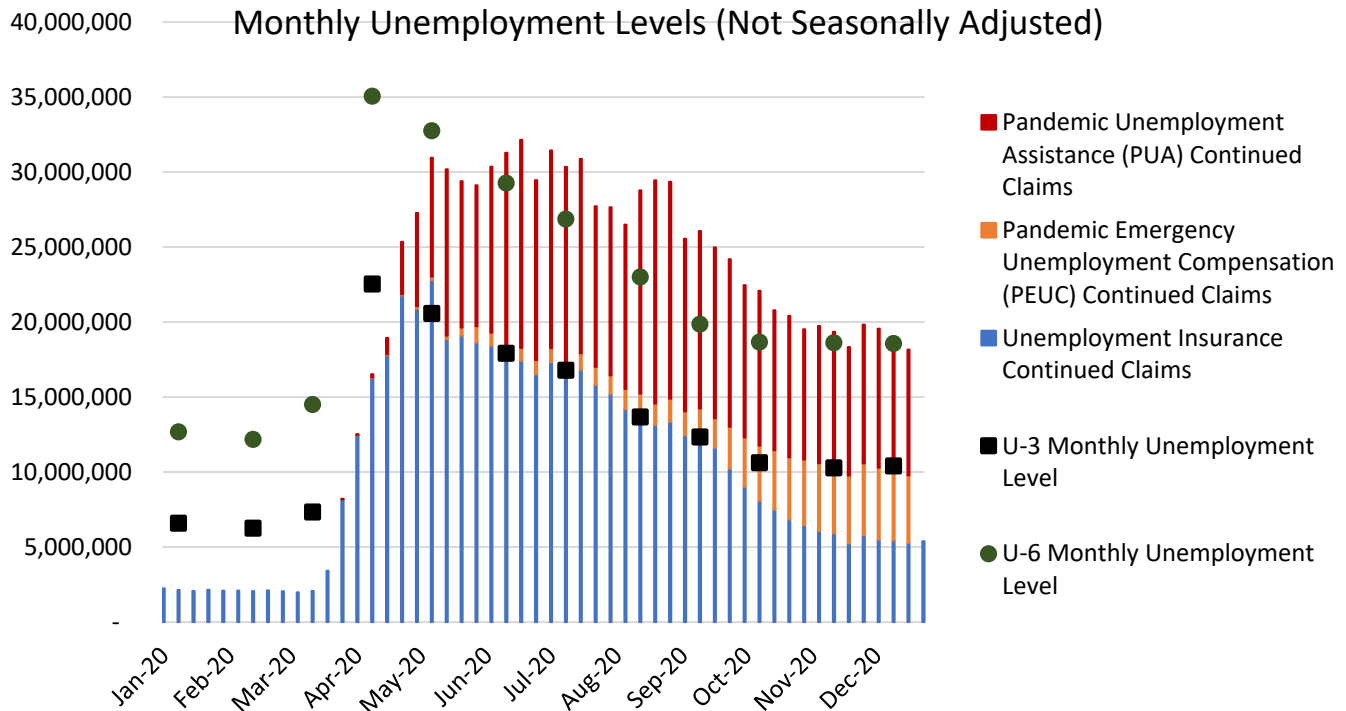


## Chart of the Week - January 8, 2021

Comparing Weekly Unemployment Insurance Continued Claims and Monthly Unemployment Levels (Not Seasonally Adjusted)



Sources: U.S. Bureau of Labor Statistics, U.S. Department of Labor

The COVID-19 pandemic continued to impact the labor market to close 2020. Today's release from the U.S. Bureau of Labor Statistics showed that faster layoffs led to a loss of 140,000 jobs in December and kept the headline unemployment rate (U-3) at 6.7 percent. Total employment remains 6.5 percent below the level in February 2020, with the greatest job losses still in the leisure and hospitality sector – down 23 percent. Much of the decline last month was driven by 372,000 job losses at restaurants and bars, caused by restrictions due to the pandemic.

There was a decrease in those in the long-term unemployed category, but there are still more than 18 million workers who need continued unemployment insurance or extended unemployment benefits under the CARES Act, as tracked by a separate report from the U.S. Department of Labor. This week's chart highlights the various metrics around extended unemployment. A summary of some of those numbers are below.

Seasonally adjusted continued claims during the week ending December 26, 2020, totaled 5.072 million, a decrease of 126,000 from the previous week's revised level, but still more than double the 2 million level before the pandemic.

Unadjusted Pandemic Unemployment Assistance (PUA) unemployment insurance (UI) claims were down 71,000 to 8.38 million in the week ending December 19. PUA is also now available through March 14, 2021, allowing for up to 50 weeks of unemployment benefits to individuals not otherwise eligible, such as self-employed workers, freelancers, independent contractors, and part-time workers who are unable to work as a result of the pandemic.

Unadjusted Pandemic Emergency Unemployment Compensation (PEUC) claims were down 293,000 to 4.52 million the week ending December 19. Under the CARES Act, PEUC authorizes an additional 13 weeks of unemployment benefits to those who exhaust their regular unemployment benefits. Recent federal legislation passed in late December extended the number of weeks of PEUC from 13 to 24, and the program itself through March 14, 2021.