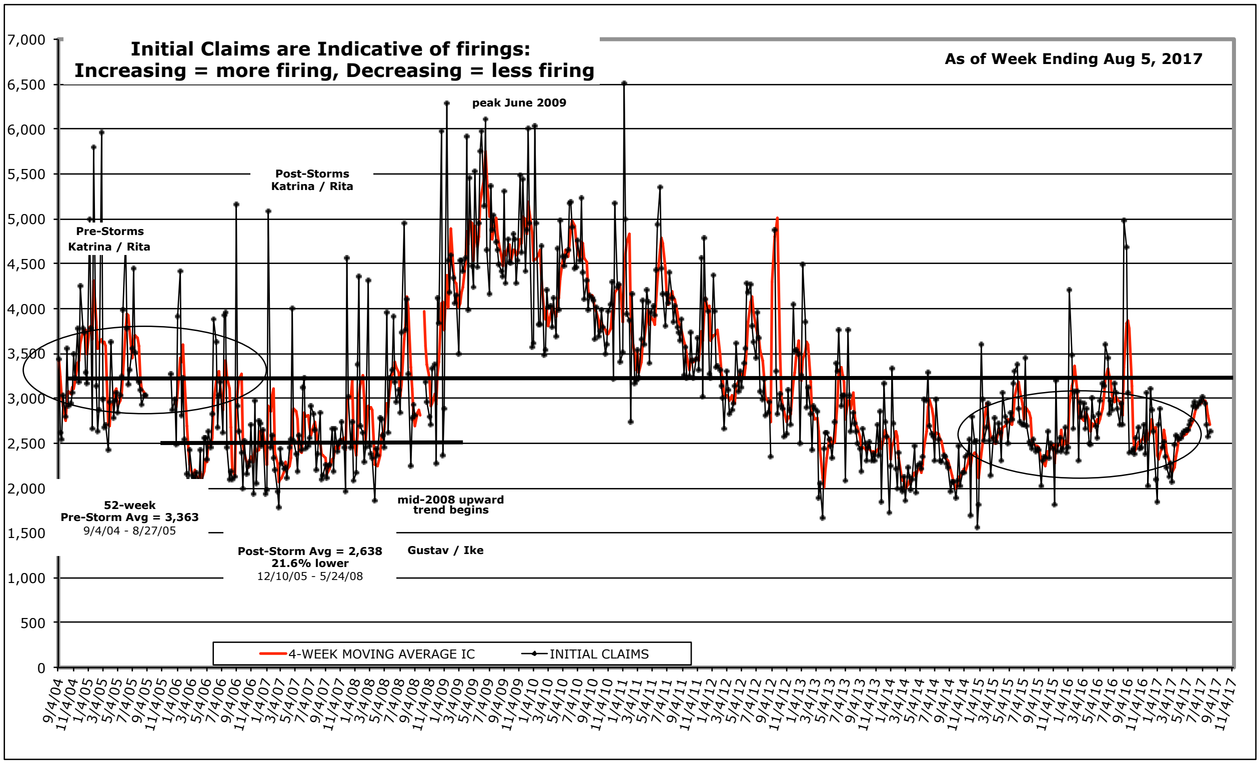
WEEKLY UNEMPOYMENT CLAIMS
Week Ending August 5, 2017
Initial Claims



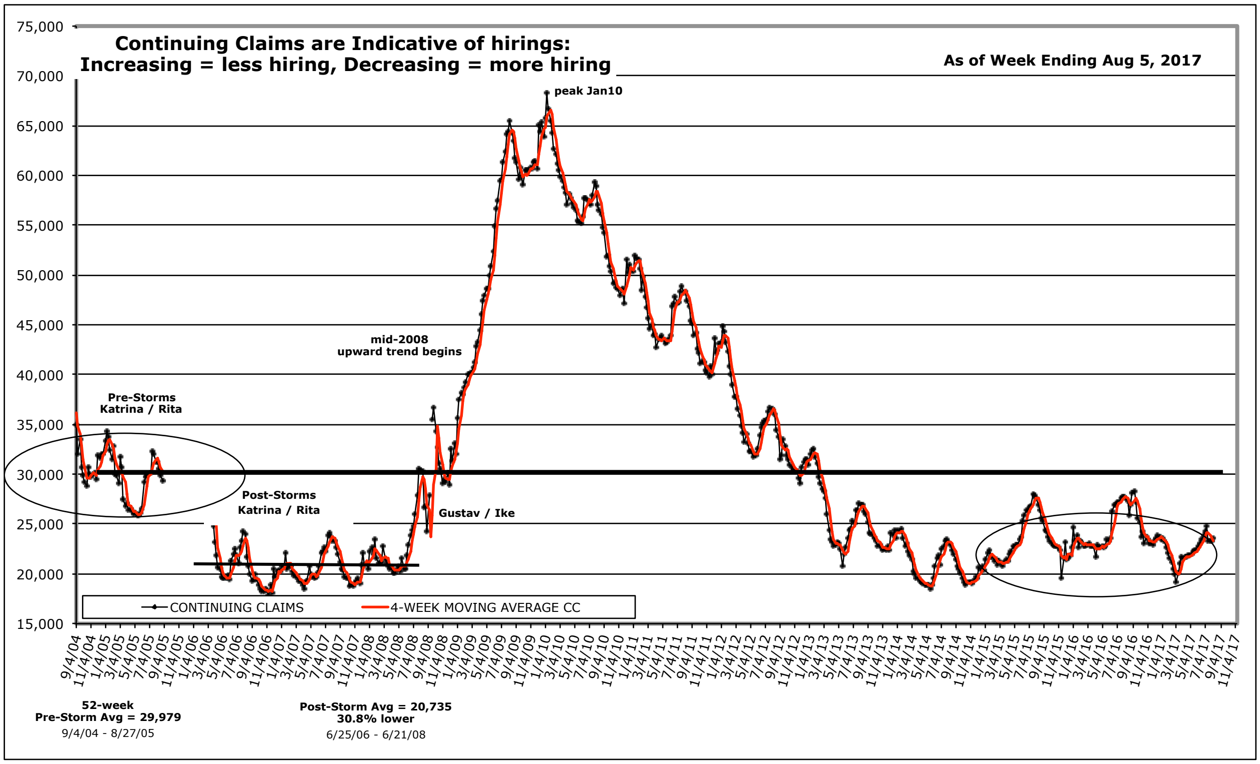
<u>Initial Claims: 2,627 60 more than the previous week; 322 less than last year</u>

The graph above depicts the weekly initial claims data reported by the State Workforce Commission, as well as a four-week moving average of that data. This data is not seasonally adjusted, and that seasonal pattern can be seen in the regular humps and dips occurring in approximately two to three month intervals. Extreme observations for the weeks immediately after the storms of Katrina/Rita in 2005 and Gustav/Ike in 2008 have been removed. As a rule of thumb, increases in initial claims reflect more firing, while decreases in claims reflect less firing.

Claims rose from mid-2008 through mid-2009 as the recession took hold in the nation and the state, but trended down considerably from the recession peak of some 6,000 new claims a week in mid-2009, as the pace of layoffs slowed, reflecting the economy's recovery from the 08/09 recession. The year before Katrina-Rita (2004-2005) was a good year for the economy, and would normally be a norm or goal in assessing the current recovery, reasonably more so than the period following Katrina-Rita when storm recovery and rebuilding drove the economy to an initial claims low of around 2,600 weekly claims for nearly three years. However, as the current national recovery progressed, the peaks and the troughs of the cycles continued to decline below the pre-Katrina/Rita level until about mid-2013, with claims fluctuating around that very low level through 2014. While not a direct measure of actual employment, this initial claims performance has been encouraging. Claims have cycled around the very low post-storm average with some upward trending during 2015 and much of 2016, likely associated with the state's economic weakening in the wake of the sharp oil price drop-off that began in mid-2014, before returning toward the post-storm average.

WEEKLY UNEMPOYMENT CLAIMS
Week Ending August 5, 2017

Continuing Claims



<u>Continuing Claims: 23,592: 320 more than the previous week; 4,006 less than last year</u>

The graph above depicts the weekly continuing claims data reported by the State Workforce Commission, as well as a four-week moving average of that data. This data is not seasonally adjusted, and that seasonal pattern can be seen in the regular humps and dips occurring in approximately two to three month intervals. Extreme observations for the weeks immediately after the storms of Katrina/Rita in 2005 and Gustav/Ike in 2008 have been removed. As a rule of thumb, increases in continuing claims reflect less hiring, while decreases in claims reflect more hiring. During periods of extended unemployment benefits, decreases can also reflect benefit exhaustion.

Claims rose from mid-2008 through 2009 as the recession took hold in the nation and the state, but then fell to the pre-Katrina/Rita level since the recession peak of some 68,000 claims at the start of 2010, as the pace of hiring accelerated throughout the recovery from the 08/09 recession. As the national recovery progressed, the peaks and the troughs of the cycles declined until about mid-2013. The year before Katrina/Rita (2004-2005) was a good year for the economy, and would normally be considered a reasonable norm or goal in assessing the current recovery, rather than the period following Katrina-Rita when storm recovery and rebuilding drove the economy to a continuing claims low of around 20,700 weekly claims for over two years. However, through much of 2014 claims maintained a level comparable to the post-Katrina/Rita level of about 21,000 per week. Claims have stepped up since 2014, likely associated with the state's economic weakening in the wake of the sharp oil price drop-off that began in mid-2014.