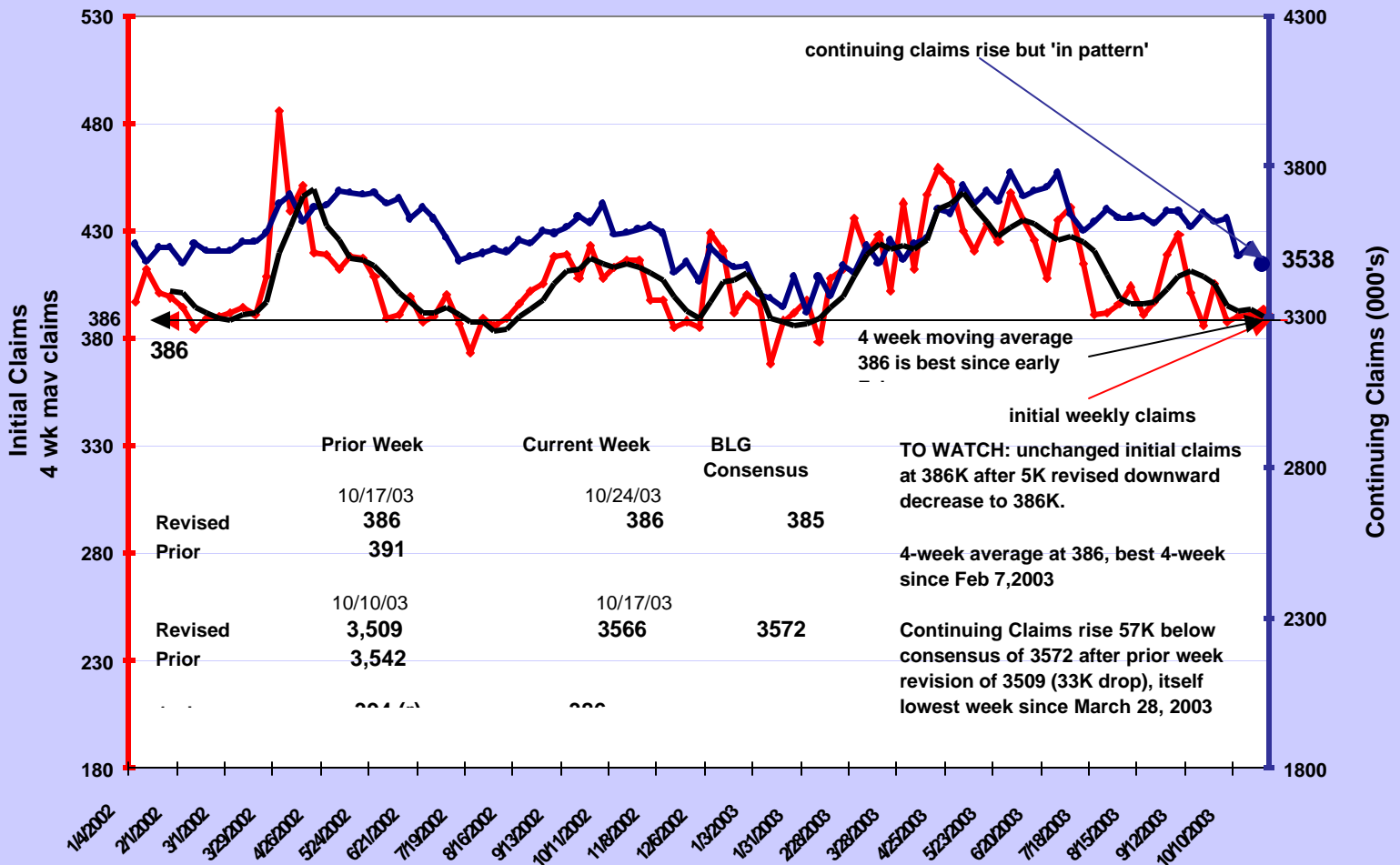




Small Rise in 'Continuing Claims' While 'Initial Claims' Change Slightly

Initial and Continuing Unemployment Claims



Big feature is the steadiness at much reduced level of four-week average claims against a back-drop of a very large drop in continuing claims occurring in prior week. The continuing claims for this week was 55K above the extremely low (revised) figure on 10/10/03 of 3,509K. Despite the "jump," the pattern of continuing claims appears to indicate some reduction in the permanently unemployed. Despite the "noisy" data series, the claims data should re-enforce those who believe that a significant and lasting recovery is emerging. It is background color to be sure, but a reassuring sketch nonetheless. While these data are also troubled by the Columbus Day Holiday, the abrupt rise in continuing claims is not something about which to become overly



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concerned, because the pattern in continuing claims has been rather constant since the sharp fall in early July.

We would expect that four-week average claims, probably a more reliable barometer in any case, will begin to depict a very slow but steady improvement in the current employment market.