

U.S. initial jobless claims remain afloat despite slightly down

WASHINGTON, June 21 (Xinhua) -- The number of Americans initially applying for unemployment aid last week inched down but still remained at too high of a level to reduce the jobless rate, the U.S. Labor Department reported Thursday.

The advance figure for seasonally adjusted initial claims for jobless benefits was 387,000 in the week ending June 16, a decrease of 2,000 from the previous week's upward revised figure.

Meanwhile, the four-week moving average, which helps smooth out week-to-week volatility, increased to 386,250. This is the highest level since last December.

The advance figure for seasonally adjusted insured unemployment during the week ending June 9 was 3.299 million, unchanged from the prior week. The unemployed can only receive jobless benefits for at most 99 weeks, which means some will lose their entitlement this year.

As a rule of thumb, the number of jobless claims has to stay below 375,000 to indicate a sustained drop in the unemployment rate. So far this year, the number has been hovering around the benchmark and the unemployment rate edged down to 8.1 percent in April from 8.3 percent in January but rebounded to 8.2 percent in May.

In the past three months, employers added an average of only 96,000 jobs per month, far less than an average of over 250,000 in the previous three months.

The Federal Reserve predicted on Wednesday that the U.S. economy would expand 1.9 percent to 2.4 percent in 2012, lower than the range of 2.4 percent to 2.9 percent in its April projection.

The Fed also forecast that the jobless rate might stand at 8.0 percent to 8.2 percent by the end of this year, higher than the range of 7.8 percent to 8.0 percent in its April projection.

