

## **U.S. jobless claims surge to four-month high**

WASHINGTON, Oct. 18 (Xinhua) -- The number of U.S. citizens initially applying for unemployment aid rebounded strongly last week, the U.S. Labor Department reported Thursday

The spike after diving to a more than four-year low the previous week overshadowed the outlook for the job market recovery.

The advance figure for seasonally adjusted initial claims for jobless benefits was 388,000 in the week ending Oct. 13, up 46,000 from the previous week's upwardly-revised figure. It was the highest level in the past four months.

Meanwhile, the four-week moving average, which helps smooth out week-to-week volatility, climbed to 365,500, an increase of 750 from the previous week's revised figure. It was still in line with modest hiring.

The number of jobless claims below 375,000 generally indicates a sustained drop in the unemployment rate. The U.S. jobless rate dropped to 7.8 percent in September, the first time below 8 percent in almost four years and matching the level when President Barack Obama took office.

With economic issues central to the Presidential race, better job prospects may help the incumbent against Republican challenger Mitt Romney, as the November elections draw nearer. But recent better-than-normal government job data left the private sector largely sidelined. Small businesses continued to add only few jobs, certainly not typical of a strong recovery, noted William Dunkelberg, chief economist for the National Federation of Independent Business (NFIB).

In addition, the report showed the advance figure for seasonally adjusted insured unemployment during the week ending Oct. 6 was 3.252 million, a decrease of 29,000 from the prior week.

To boost the anemic economic growth and labor market, the U.S. Federal Reserve announced last month it would expand its holdings of mortgage debt until the labor market improved significantly. But the cooling global economy and concerns over a U.S. fiscal cliff is still

dampening the employment outlook.