

10.22.2021

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1. NEW UNEMPLOYMENT INSURANCE CLAIMS EDGE DOWNWARD

New weekly unemployment insurance (UI) claims declined for the week ending October 16, remaining below the 300,000 mark for the second consecutive week. The headline seasonally adjusted number fell by 6,000 to 290,000 (and was revised slightly higher for the previous week). After two weeks of increases, the four-week moving average also declined.

Unadjusted initial claims for Pandemic Unemployment Assistance (PUA)—UI for self-employed and gig workers that expired in September—fell by 89 percent, from 21,900 to just 2,300. States were [required to accept](#) (and backdate to the first week of unemployment) new claims for special pandemic-related UI programs for 30 days after the termination of the programs. The week of October 16 is the first full week after this 30-day application window has elapsed for many unemployed workers. We will see initial and continuing claims for these benefits continue to fall over the next several weeks for purely mechanical reasons.

As a result, the total number of individuals receiving benefits under all state and federal programs (reported with a one-week lag) continued to fall at double digit rates (-10.1 percent) from 3.6 million to 3.3 million. While this represents significant progress in the labor market recovery, total UI beneficiaries are still more than twice the level (1.4 million) seen during the comparable week in 2019.

2. BUDGET RECONCILIATION BILL EDGES DOWNWARD

The negotiations among the congressional leaders and the White House remain private and apparently slow, but the rumors continue to fly. If the gossip is to be believed, the size of the bill is edging down, both in the amount it will spend and in the amount it will raise to pay for that spending. Nothing is

decided until everything is decided, as they say, but it appears as though some provisions such as free community college and tax rate increases are being jettisoned to find agreement among the Senators and Representatives who will need to march almost in lockstep to approve the bill.

3. FEDERAL RESERVE “BEIGE BOOK” SEES GROWTH EDGING DOWNWARD

The Federal Reserve’s “[Beige Book](#),” which reports on economic activity around the country through the views of local economic actors, [said](#) this week that economic developments remain positive, but that there is growing caution. Supply bottlenecks continue, and price increases have followed from the resulting shortages. Labor remains hard to come by, and even employers who see the benefit of vaccination fear that requiring it would cost them workers. Thus, a strategy that would help to reopen the economy would delay the reopening of the economy.

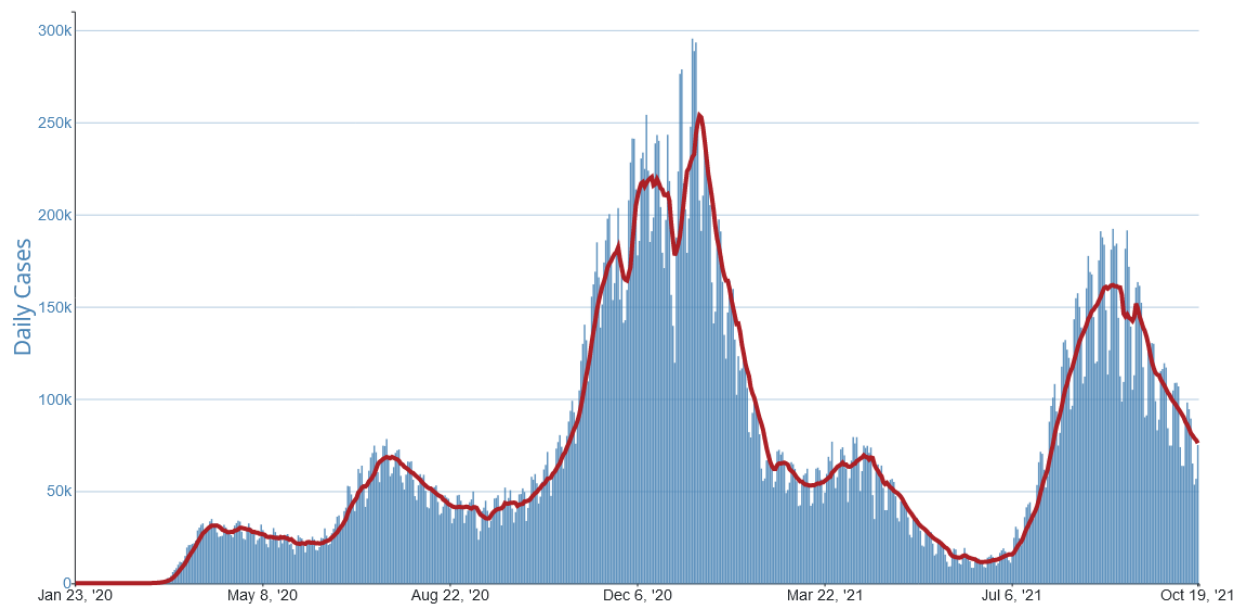
Meanwhile, the [Fed](#) has imposed new restrictions on securities trading by its senior officials in [response](#) to the trading scandal that resulted in the resignations of two regional Reserve Bank presidents.

4. PANDEMIC NEWS

On the surface, the picture of the pandemic is little changed. However, there are continuing indications that this stability is not a solid indication that the virus is burning itself out; there are still risks that it could surge again, as viruses tend to do in the winter.

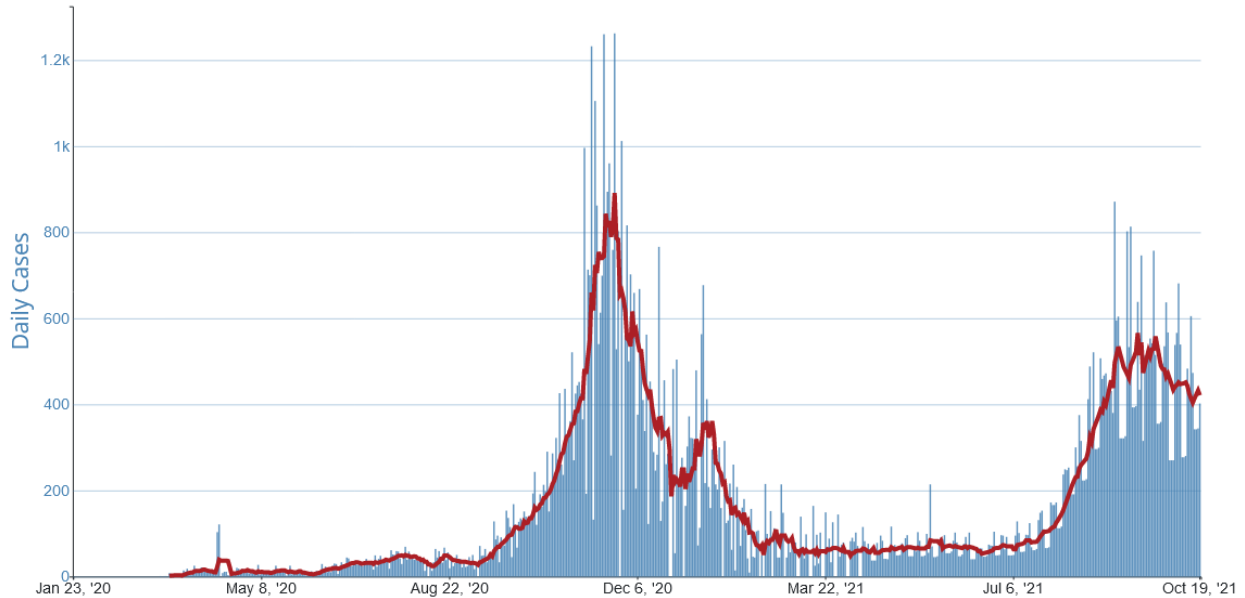
Nationally, infections continue to trend slowly downward. That portends some relief in many parts of the country.

Daily Trends in Number of COVID-19 Cases in The United States Reported to CDC



However, the distinction between national averages and regions of the country continues. For example, the downward trend nationwide is not reflected nearly so strongly in the case count of Wyoming, which has fallen by only 20 percent in comparison to the national relief of about 50 percent.

Daily Trends in Number of COVID-19 Cases in Wyoming Reported to CDC



A similar pattern is evident with respect to hospitalizations. Nationally, there are about 40 percent fewer patients than at the peak of the Delta surge, and almost 60 percent fewer than last winter's peak.

Prevalent Hospitalizations of Patients with Confirmed COVID-19, United States August 01, 2020 – October 18, 2021



51,698

Current 7-Day Average
Oct 12, 2021 – Oct 18, 2021

57,977

Prior 7-Day Average
Oct 05, 2021 – Oct 11, 2021

123,899

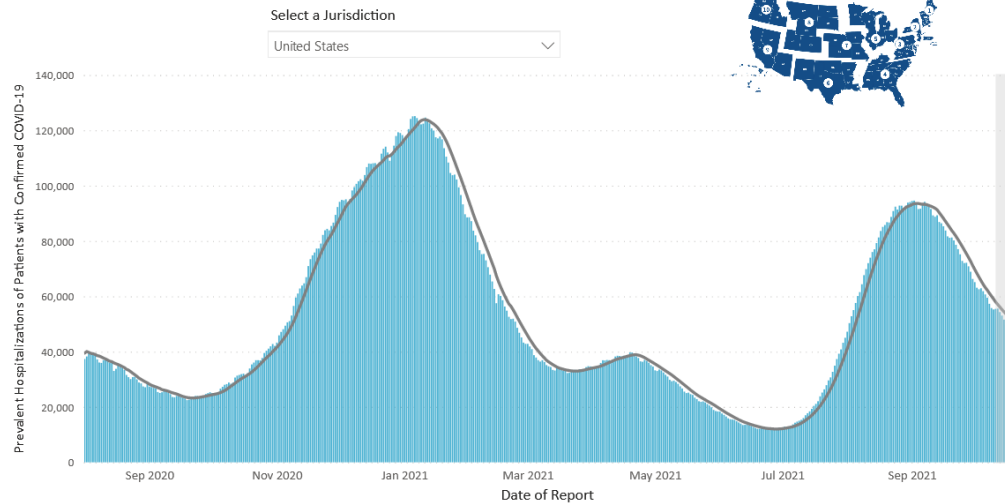
Peak 7-Day Average
Jan 05, 2021 – Jan 11, 2021

-10.8%

Percent change from prior 7-day
avg. of Oct 05, 2021 – Oct 11, 2021

-58.3%

Percent change from peak 7-day
avg. of Jan 03, 2021 – Jan 09, 2021



However, again using Wyoming as an example, hospitalizations are still almost the same as the Delta peak. Hospitalizations to respond to the case count with a lag, and so some relief may be baked in the cake. But health care systems locally have been suffering for a long, long time.

Prevalent Hospitalizations of Patients with Confirmed COVID-19, Wyoming August 01, 2020 – October 18, 2021

HHS Regions

215

Current 7-Day Average
Oct 12, 2021 – Oct 18, 2021

209

Prior 7-Day Average
Oct 05, 2021 – Oct 11, 2021

227

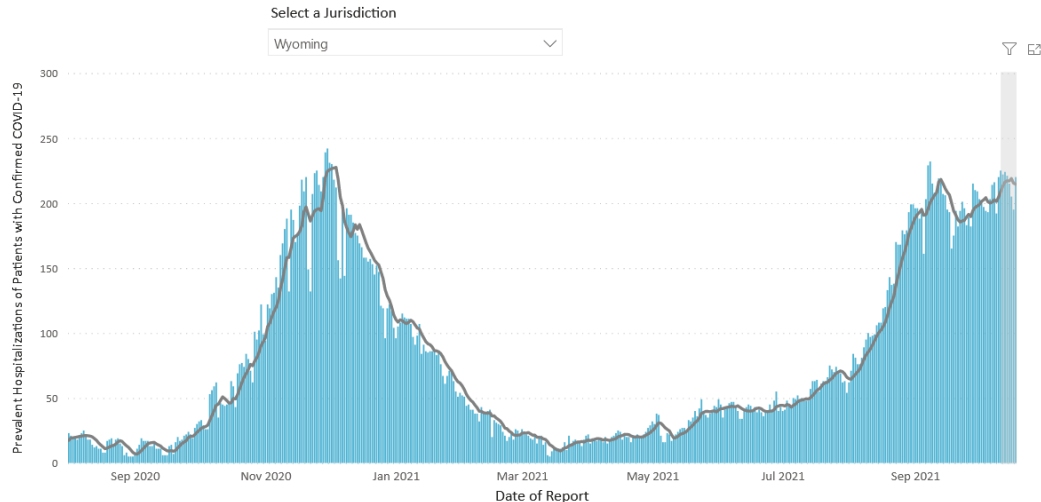
Peak 7-Day Average
Nov 28, 2020 – Dec 04, 2020

+2.7%

Percent change from prior 7-day
avg. of Oct 05, 2021 – Oct 11, 2021

-5.7%

Percent change from peak 7-day
avg. of Aug 23, 2021 – Aug 29, 2021



And this is not just a one-state wonder. The entire northern mountain region, including the Dakotas, Montana, Utah and Colorado in addition to Wyoming, similarly has had no relief for its health care systems, at least yet. Whether gradually declines in cases will show up with a lag in hospitalizations is of course still unknown. However, in one state near this region, [in Minnesota, the governor](#) has called upon National Guard to serve in hospitals to help reduce some of the stress on medical personnel.

Prevalent Hospitalizations of Patients with Confirmed COVID-19, HHS Region 8 August 01, 2020 – October 18, 2021



2,647

Current 7-Day Average
Oct 12, 2021 – Oct 18, 2021

2,631

Prior 7-Day Average
Oct 05, 2021 – Oct 11, 2021

3,858

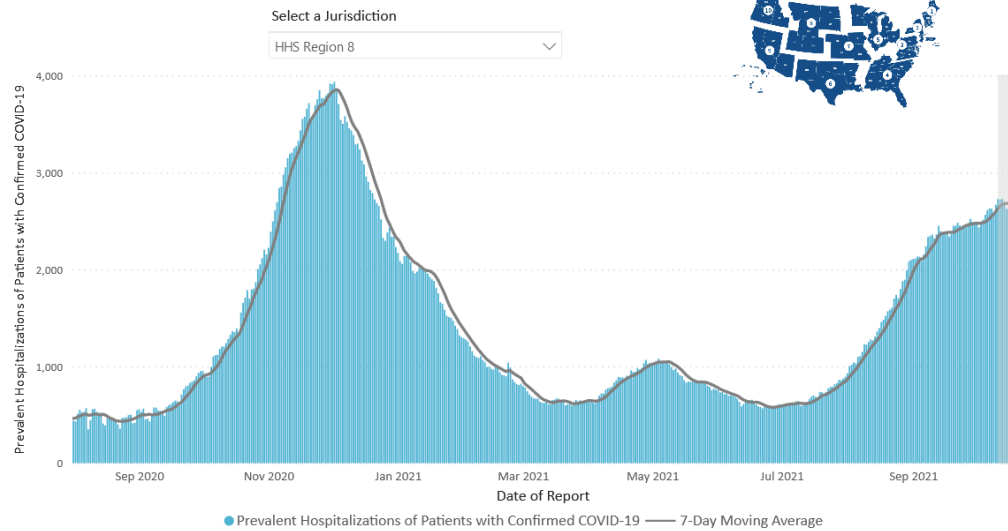
Peak 7-Day Average
Nov 27, 2020 – Dec 03, 2020

+0.6%

Percent change from prior 7-day
avg. of Oct 05, 2021 – Oct 11, 2021

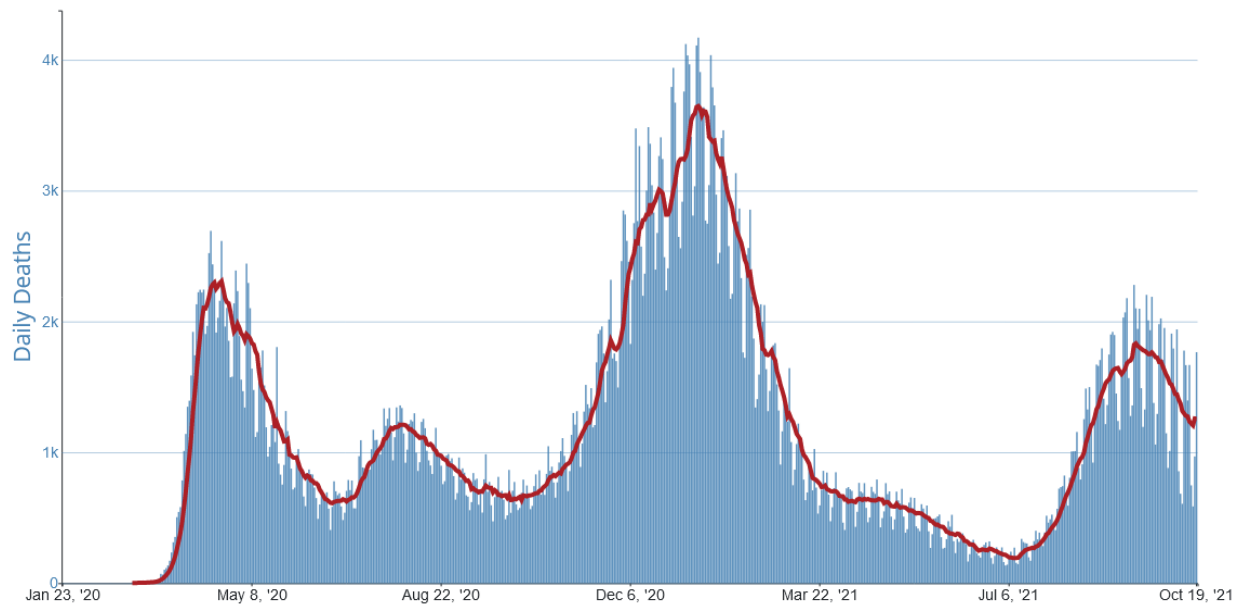
-31.4%

Percent change from peak 7-day
avg. of Nov 19, 2020 – Nov 25, 2020

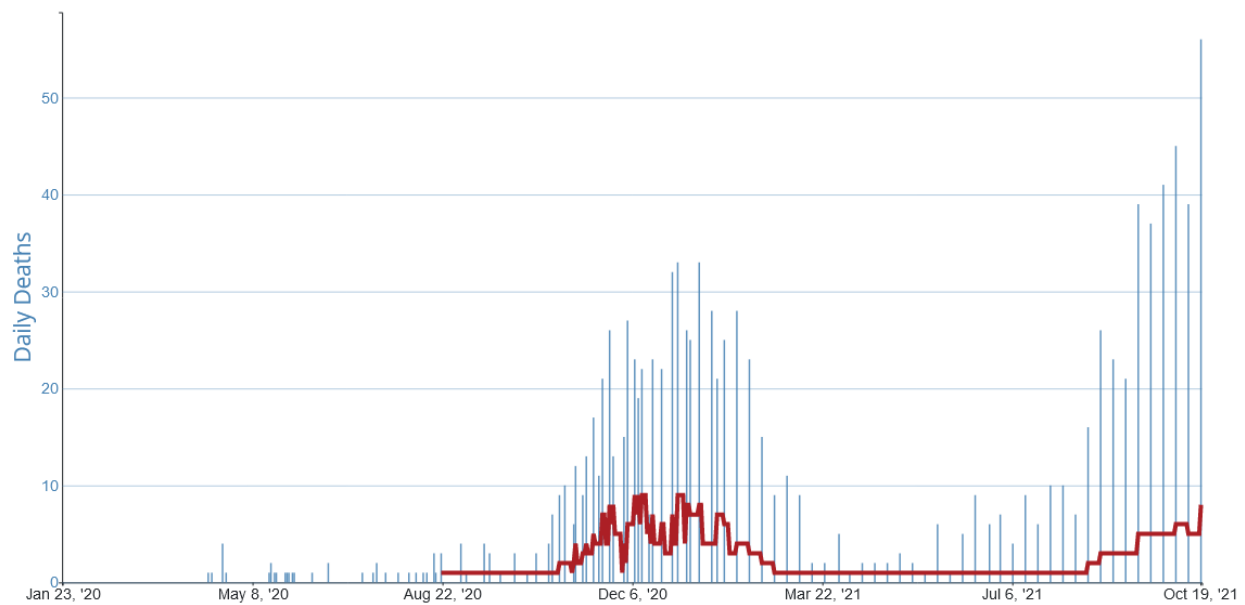


COVID deaths are again down nationally, but although the data are much noisier for a small state such as Wyoming, there is no obvious relief from the pain there.

Daily Trends in Number of COVID-19 Deaths in The United States Reported to CDC



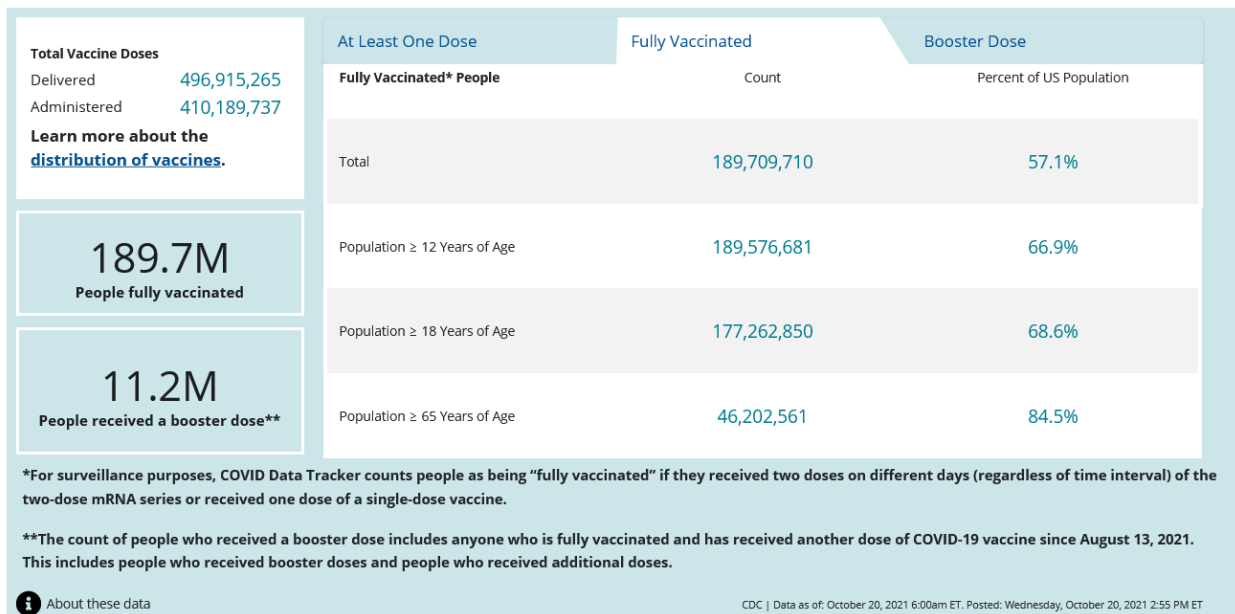
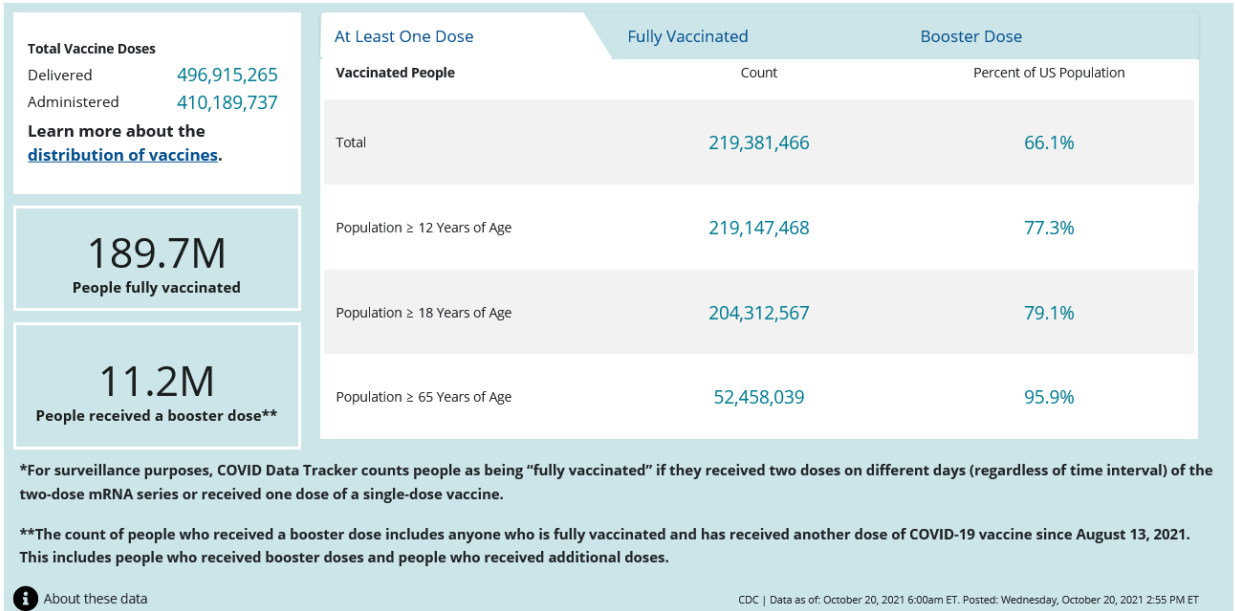
Daily Trends in Number of COVID-19 Deaths in Wyoming Reported to CDC

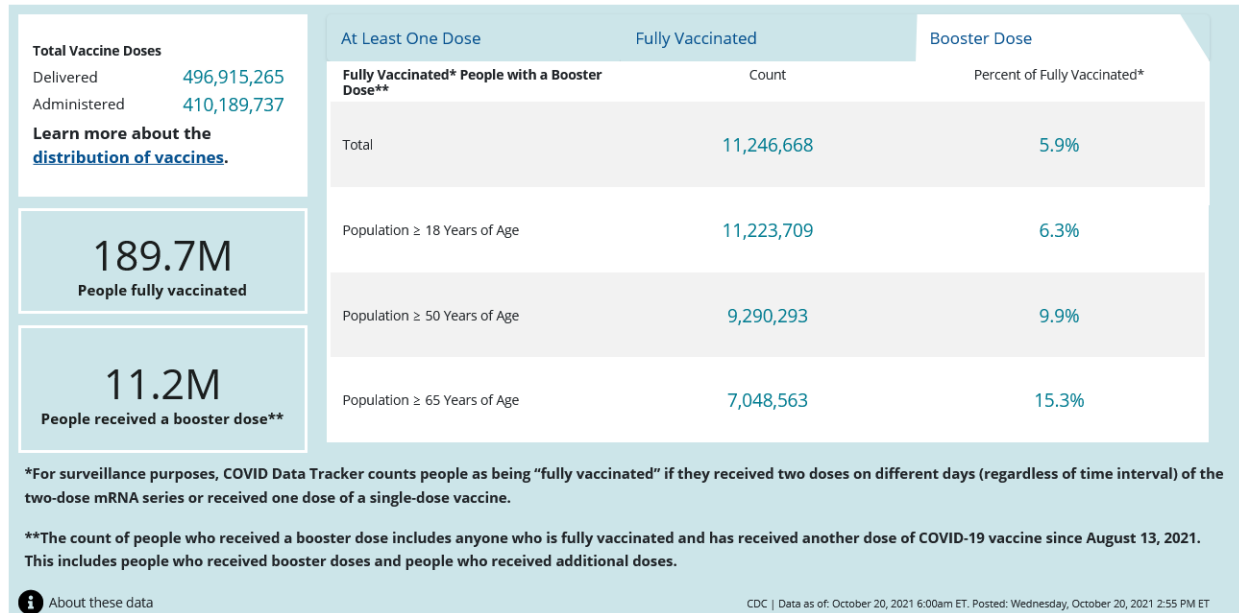


The official US data indicate that Delta continues to be totally dominant here. However, there are signs that a new variant of Delta may be coming down the pike. See the global focus article below indicating that the UK, which has done a better job of vaccinating its population than we have, none the less has seen a surge in cases that might (just speculation at this point) be the result of a somewhat more transmissible variant of Delta.

5. VACCINATION NEWS

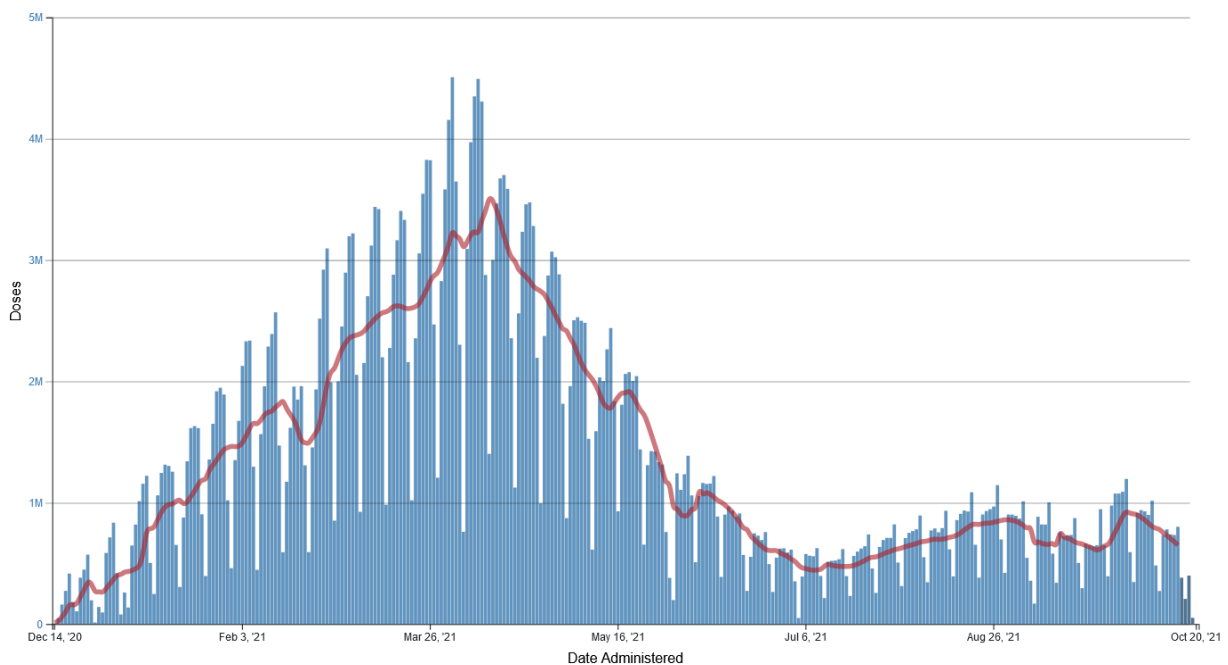
Seniors are clearly leading the way on vaccinations, with nearly 96 percent having received at least one shot, and almost 85 percent being fully vaccinated, with more than 15 percent already having received a booster (which is more impressive given that only Pfizer users thus far have been eligible). But the national average for all eligible persons (ages 12 and over at this point) is much lower, indicating that younger Americans are not availing themselves (and their families and colleagues) of the free protection. (The three separate charts below show (in this order) those who have at least one dose, those who are fully vaccinated, and those who have received their booster doses.)



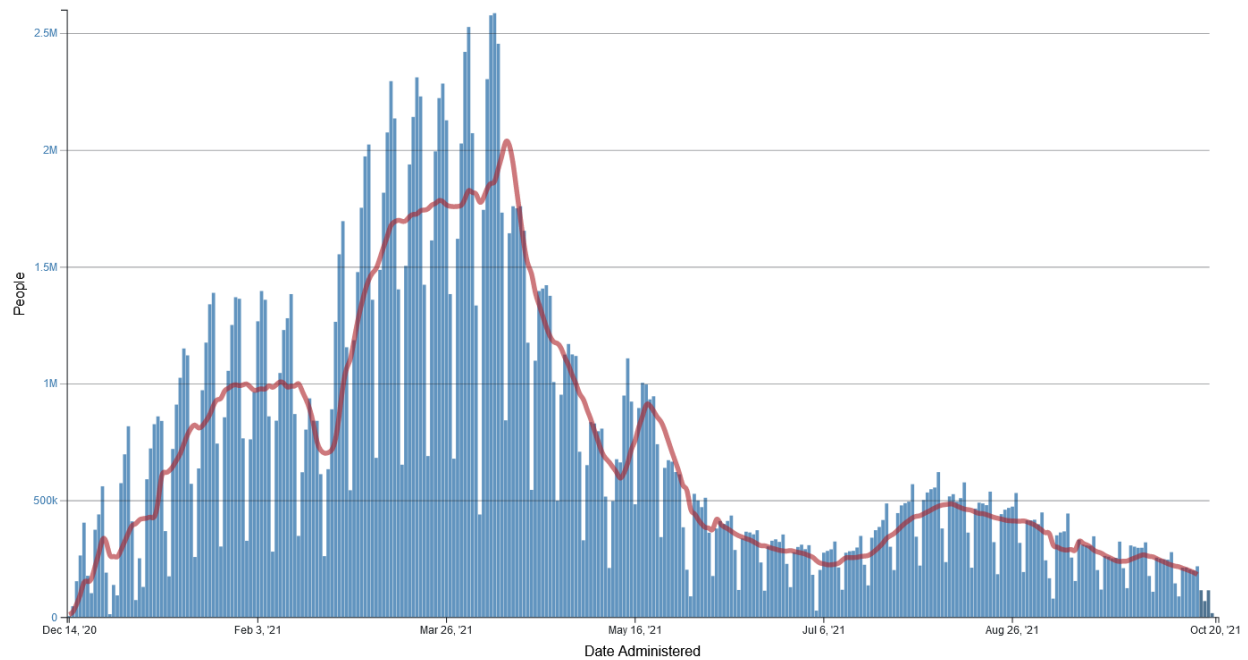


The number of doses being administered continues to tail off—which is especially disheartening given how many of those doses are clearly for boosters rather than reaching the hitherto unvaccinated, who need the protection, as the numbers of both daily first doses and daily second doses continue to decline.

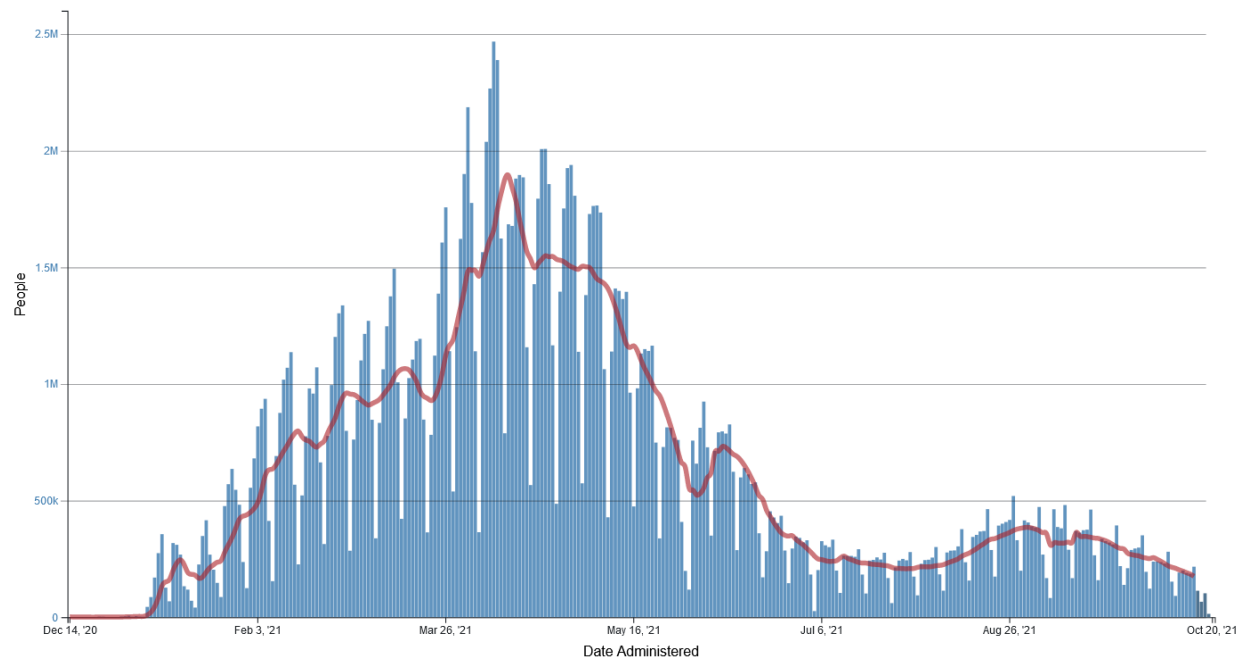
Daily Count of Total Doses Administered and Reported to CDC by Date Administered, United States



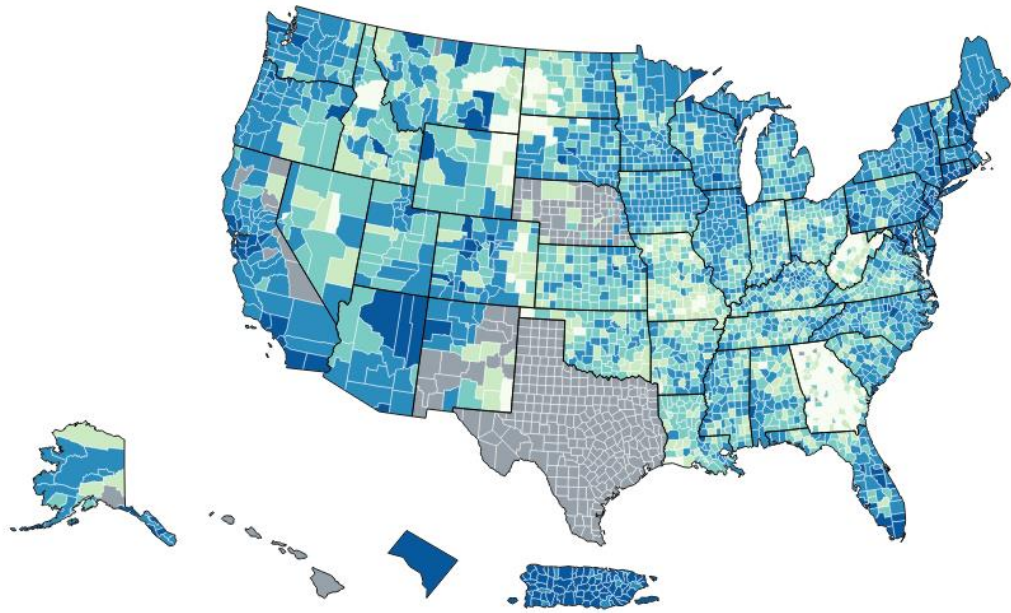
Daily Count of People Receiving Dose 1 Reported to CDC by Date Administered, United States



Daily Count of Fully Vaccinated People Reported to CDC by Date Administered, United States



And the geographic concentrations by vaccination status are not going away. There are still large areas of the country, in the southeast, south-central and mountain states particularly, where vaccination rates are very low. That has been behind much of the recent surge with the arrival of the Delta variant.



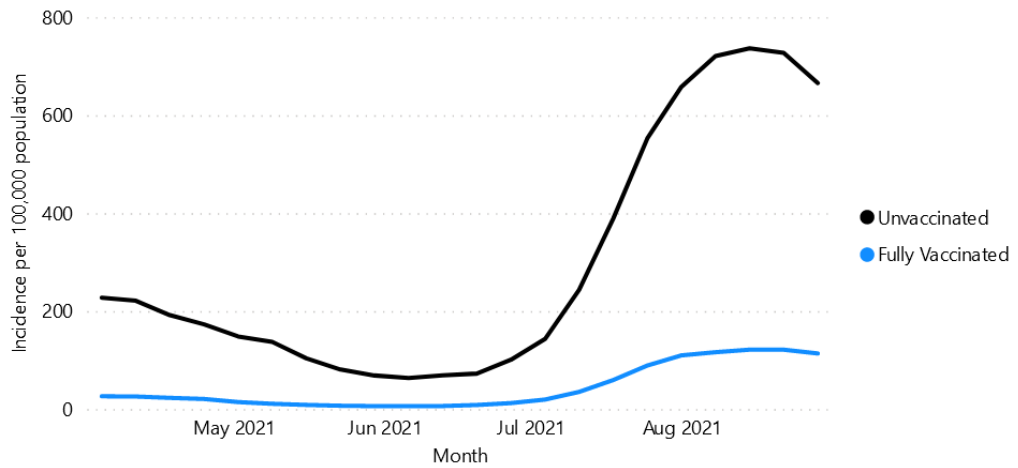
And the word should get out that vaccines, though not impregnable, do provide a high measure of protection. People who have been vaccinated have substantially lower rates of infection, and still lower rates of hospitalization and death from the virus, than do unvaccinated people.

Rates of COVID-19 Cases or Deaths by Vaccination Status

April 04 - September 04, 2021 (16 U.S. jurisdictions)

Outcome

- Cases
- Deaths



In August, unvaccinated persons had:

6.1X

Greater Risk of Testing Positive for COVID-19

AND

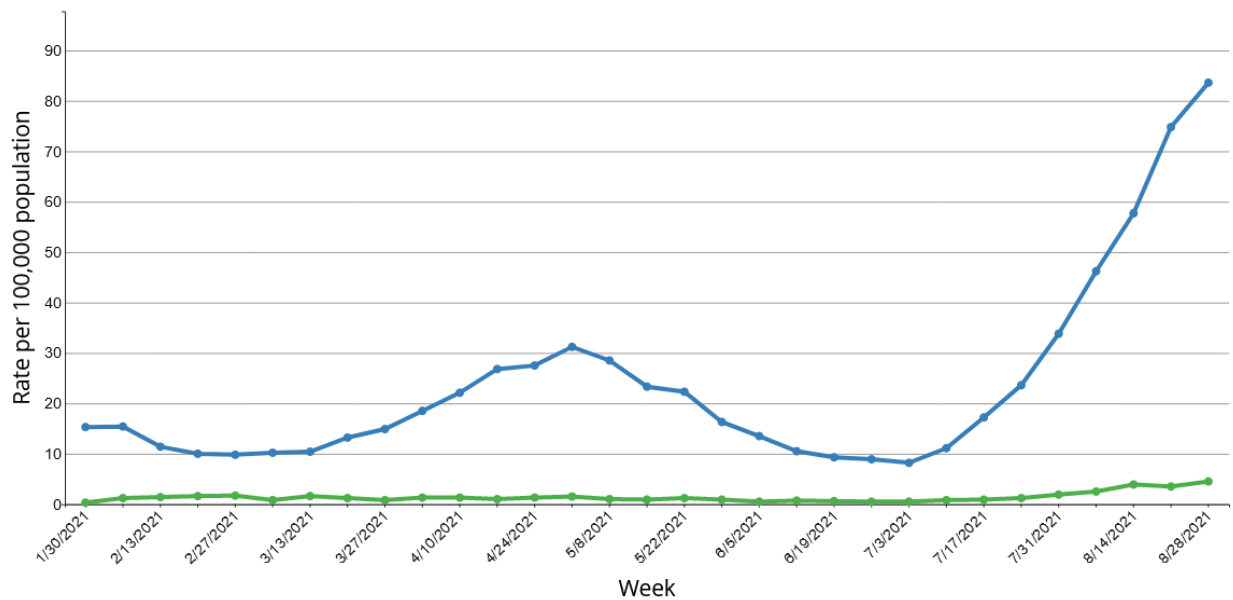
11.3X

Greater Risk of Dying from COVID-19

compared to fully vaccinated persons

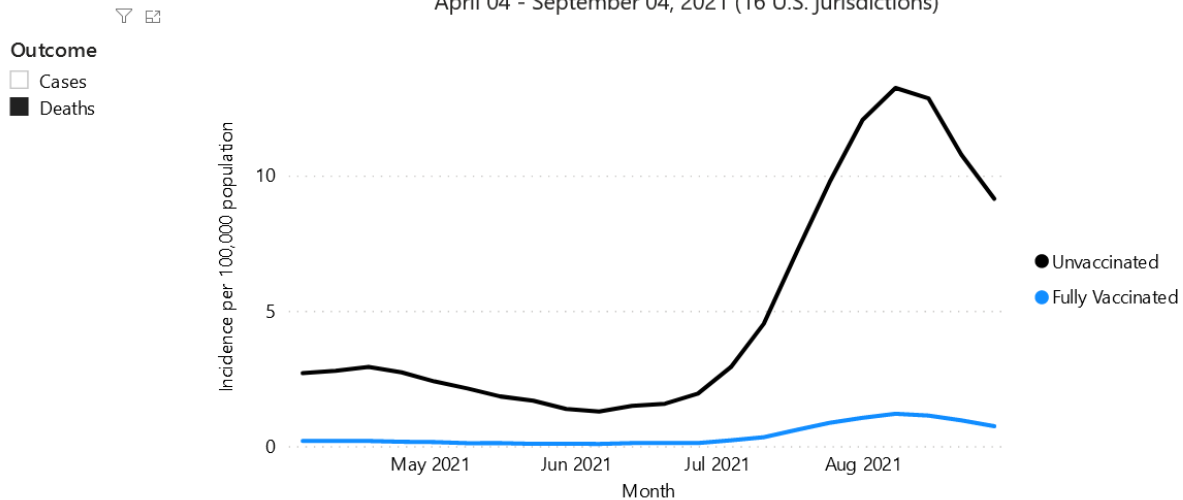
Age-Adjusted Rates of COVID-19-Associated Hospitalizations by Vaccine Status in Adults Aged ≥18 Years, January–August 2021

—●— Rate in Fully Vaccinated Persons —●— Rate in Unvaccinated Persons



Rates of COVID-19 Cases or Deaths by Vaccination Status

April 04 - September 04, 2021 (16 U.S. jurisdictions)



In August, unvaccinated persons had:

6.1X

Greater Risk of Testing Positive for COVID-19

AND

11.3X

Greater Risk of Dying from COVID-19

compared to fully vaccinated persons

And at least on the front of vaccine availability there has been important good news this week. Booster doses have now been [recommended](#) by both the FDA and by vaccine advisers to the CDC for those who have received the Moderna and Johnson & Johnson vaccines. The conditions of availability of Moderna will be the same as those of the Pfizer vaccine (they both use the mRNA technology, and thus are highly similar); the J&J conditions will be broader, essentially covering anyone who got that vaccine. The CDC advisers also have recommended that any vaccine may be used as a booster (although the original vaccine is recommended). Different potential side effects—myocarditis in young men taking an mRNA vaccine, and blood clots in young women have been observed with the mRNA vaccines—might indicate the use of a different vaccine. Final decisions from the CDC on all of these issues are pending.

Meanwhile, the White House anticipates an early emergency use approval for vaccine doses for 5- to 11-year-olds, and is [formulating an implementation plan](#) to facilitate rapid administration. The administration is emphasizing settings that will breed trust with the children and their parents. As one example, the plan is to avoid large, crowded rooms that might make the younger children cry.

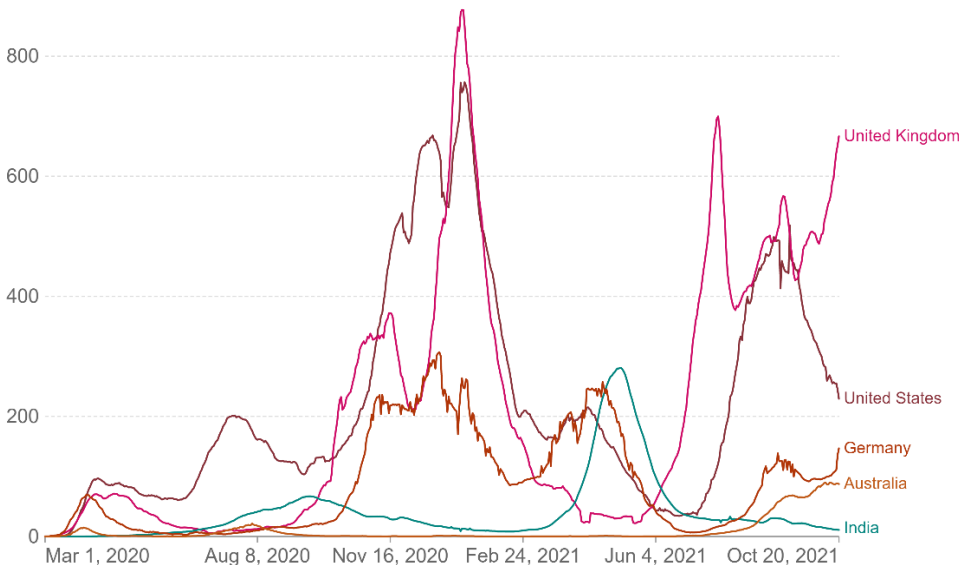
6. SPOTLIGHT ON REOPENING: HERD IMMUNITY PROVES ELUSIVE IN THE UNITED KINGDOM

The UK, a global pioneer in its speedy vaccination campaign, is experiencing a surge in COVID-19 cases. On Monday, the UK recorded 49,156 new cases, marking the [highest daily number in three months](#). Hospitalizations and deaths are steadily rising, although at a much slower rate compared to the days prior to the vaccine, which drastically reduces the occurrence of severe infection. Still, experts are

concerned that the situation will get out of control as the winter months approach. [Britain's Health Minister Sajid Javid](#) said on Wednesday that the UK could soon be experiencing as many as 100,000 new COVID-19 cases per day. The announcement came 24 hours after the UK recorded its highest number of COVID-19-related deaths since March. "This is the middle of October. Things are only going to get worse," Matthew Taylor, chief executive of the NHS Confederation, told BBC radio. "The health service is right at the edge... if you push much further we will not be able to provide the level of service that people need to have."

Daily new confirmed COVID-19 cases per million people

Shown is the rolling 7-day average. The number of confirmed cases is lower than the number of actual cases; the main reason for that is limited testing.



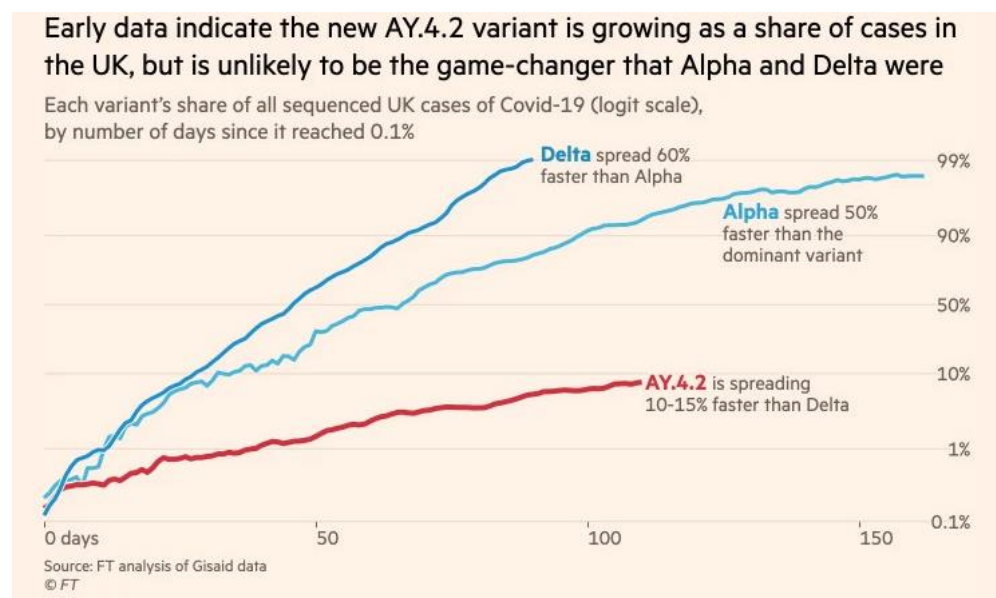
Source: Johns Hopkins University CSSE COVID-19 Data

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Three months after the UK [lifted most of its COVID-19 restrictions](#), experts are saying that the UK's experience is showing that in the face of the highly transmissible Delta variant, [herd immunity is elusive](#). Lifting restrictions "was done on the hope that the vaccinations and natural immunity were going to win pretty quickly," said Tim Spector, professor of genetic epidemiology at King's College London. "What it's shown is that that alone doesn't work." At the time of the UK's July 19 lifting of restrictions, more than half of the population had been fully vaccinated – the figure has now risen to 67 percent. Another large portion of the population was presumed to have immunity from previous infection. A [survey](#) published at the time estimated that 90 percent of those aged 16 years and older had antibodies from either vaccination or previous infection throughout most of the UK. Epidemiologists say that the prospect of achieving herd immunity is not a fixed target as it depends on three moving parts: the transmissibility of the virus, the level of immunity in the population, and the degree to which people mix. A [recent study](#) from the UK Health Security Agency, formerly known as Public Health England, found that for the Pfizer and AstraZeneca vaccines, the two most-used in the UK, protection against symptomatic disease peaked in the early weeks after the second dose and then faded over a five-month period, to 69.7 percent and 47.3 percent, respectively. (The paper has not been peer reviewed.) If these findings prove accurate, it would be no surprise that the UK, one of the earliest to vaccinate in Europe, is experiencing waning protection amid the Delta wave. The UK began administering boosters in September to the over-50 population, medical staff, and anyone with underlying health conditions. So far, the NHS has [administered 3.6 million booster shots](#).

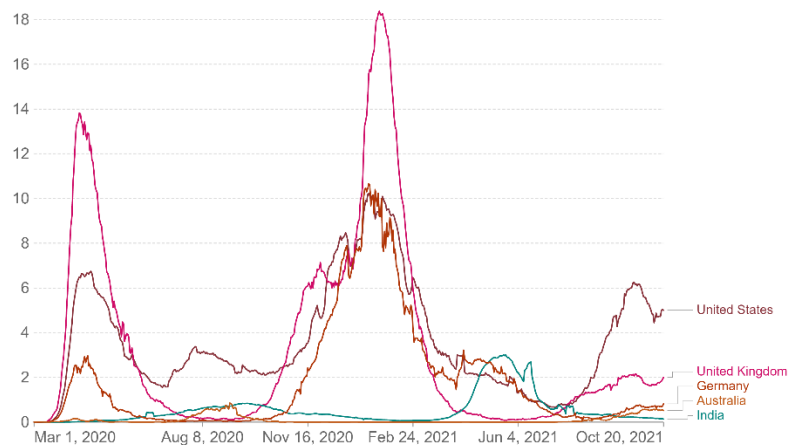
Amid the growing number of infections, a newly discovered mutation of the Delta variant is under investigation in the UK. The [Delta sub-lineage designated as AY.4.2](#) includes mutations to the spike protein (A22V and Y145H) that the virus uses to enter the cell. AY.4.2 is one of 45 Delta sub-lineages that have been recorded globally. Although AY.4.2 is being monitored, it has not yet been classified as a “variant under investigation” or a “variant of concern” by the WHO, as it has not been identified as having genetic changes that are expected to affect transmissibility, disease severity, immune escape, or diagnostic or therapeutic escape. The UK’s Health Security Agency said last week that “in the week beginning 27 September 2021 (the last week with complete sequencing data), this sub-lineage accounted for approximately 6 percent of all sequences generated, on an increasing trajectory. This estimate may be imprecise ... Further assessment is underway.”

AY.4.2 is believed to be the most infectious coronavirus strain since the start of the pandemic – [10 to 15 percent more transmissible](#) than the original Delta variant. Data shows that the new variant is growing as a share of cases in the UK, but experts assert that it cannot be blamed for the UK’s high COVID-19 case numbers.



Daily new confirmed COVID-19 deaths per million people

Shown is the rolling 7-day average. Limited testing and challenges in the attribution of the cause of death means that the number of confirmed deaths may not be an accurate count of the true number of deaths from COVID-19.

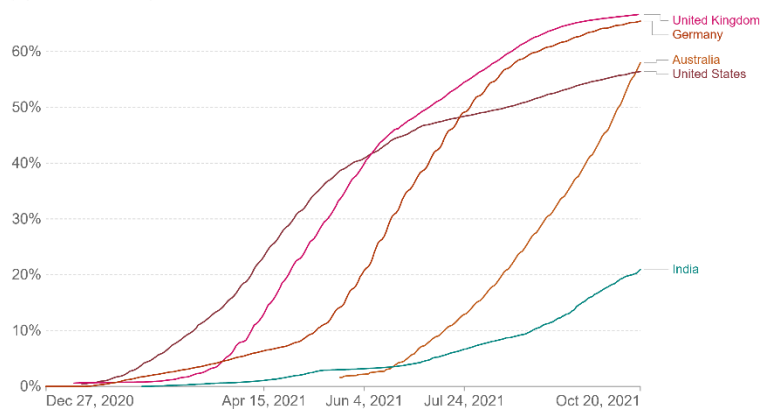


Source: Johns Hopkins University CSSE COVID-19 Data

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Share of the population fully vaccinated against COVID-19

Total number of people who received all doses prescribed by the vaccination protocol, divided by the total population of the country.



Sources: Official data collated by Our World in Data. Alternative definitions of a full vaccination, e.g. having been infected with SARS-CoV-2 and having 1 dose of a 2-dose protocol, are ignored to maximize comparability between countries.

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