

Economic Update, June 5, 2026  
Submitted by Hannah Newcomb

**Summary:**

In the final week of May unemployment insurance claims increased to 225,000 initial claims. In Tennessee, 89 counties reported unemployment rates below five percent in the month of April, with 36 counties reporting lower unemployment rates from the previous month. Meanwhile, job openings increased to 7.6 million across the U.S. and hires and separations decreased. Job cuts increased in May for U.S.-based employers. Total nonfarm payroll employment increased by 172,000 in May, with leisure and hospitality, local government, and health care experiencing gains. Construction spending increased 0.4 percent in April, and new orders for manufactured goods increased 4.8 percent to \$662.7 billion. Shipments of manufactured goods also increased, despite continued concerns about elevated prices and Iran war-related supply continuity. Pressure from higher borrowing costs, refinancing challenges, and weaker conditions in some segments of the commercial real estate market are contributing to mortgage delinquencies, and mortgage applications decreased from the previous week.

**Tennessee**

Tennessee Department of Labor and Workforce Development

Thursday, [Unemployment Rates](#): “Eighty-nine of Tennessee’s 95 counties reported unemployment rates below five percent in April. . . . Two counties recorded rates of five percent, and four counties had rates of more than five percent. In 36 counties, unemployment rates for April were down when compared with March rates. Rates were unchanged in 32 counties and increased in 27 counties.”

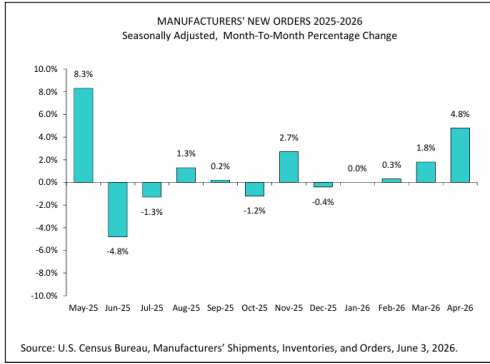
**Federal Government Indicators and Reports:**

Census Bureau

Wednesday, [Construction Spending](#): “Construction spending during April 2026 was estimated at a seasonally adjusted annual rate of \$2,172.4 billion, 0.4 percent above the revised March estimate of \$2,164.5 billion. The April figure is 0.9 percent above the April 2025 estimate of \$2,153.4 billion. During the first four months of this year, construction spending amounted to \$657.2 billion, 0.2 percent above the \$656.1 billion for the same period in 2025.”

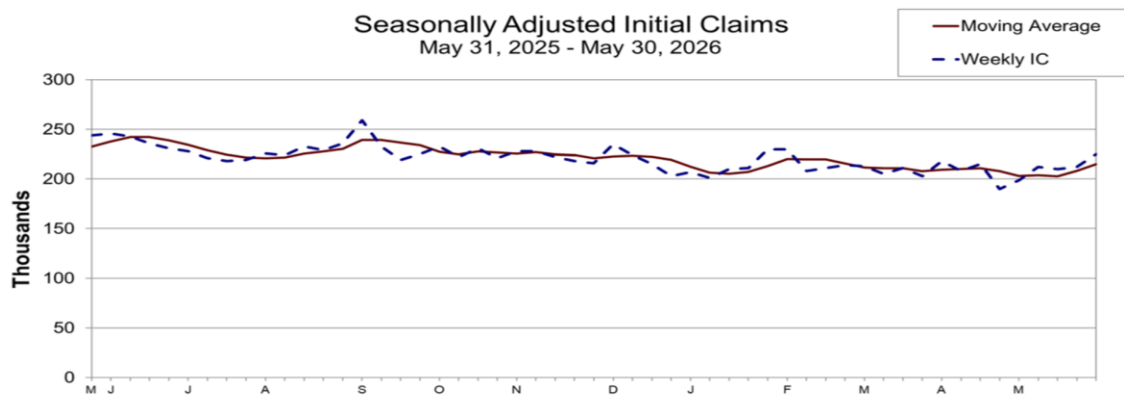
Wednesday, [Manufactured Goods](#): “New orders for manufactured goods in April, up five of the last six months, increased \$30.1 billion or 4.8 percent to \$662.7 billion. . . . Shipments, up six of the last seven months, increased \$6.3 billion or 1.0 percent to \$641.0 billion.”

MANUFACTURED GOODS – NEW ORDERS		
APRIL 2026	\$662.7 billion	+4.8%°
MARCH 2026 (revised)	\$632.7 billion	+1.8%°
Next release: July 2, 2026		
<small>Data adjusted for seasonal variation but not for price changes. Statistical significance is not measurable for this survey. The Manufacturers' Shipments, Inventories, and Orders estimates are not based on a probability sample, so the sampling error of these estimates cannot be measured, nor can the confidence intervals be computed. Source: U.S. Census Bureau, Manufacturers' Shipments, Inventories and Orders, June 3, 2026.</small>		



## Department of Labor

Thursday, [Unemployment Insurance Claims](#): “In the week ending May 30, the advance figure for seasonally adjusted initial claims was 225,000, an increase of 13,000 from the previous week's revised level. The previous week's level was revised down by 3,000 from 215,000 to 212,000. The 4-week moving average was 214,750, an increase of 6,500 from the previous week's revised average. The previous week's average was revised down by 750 from 209,000 to 208,250.”



## Bureau of Labor Statistics

Tuesday, [Job Openings and Turnover](#): “The number of job openings increased to 7.6 million in April. . . . Over the month, hires and total separations decreased to 5.1 million and 5.0 million, respectively. Within separations, both quits (3.0 million) and layoffs and discharges (1.7 million) were little changed.”

Friday, [Nonfarm Payroll](#): “Total nonfarm payroll employment increased by 172,000 in May, and the unemployment rate was unchanged at 4.3 percent. . . . Job gains occurred in leisure and hospitality, local government, and health care. Employment in financial activities declined.”

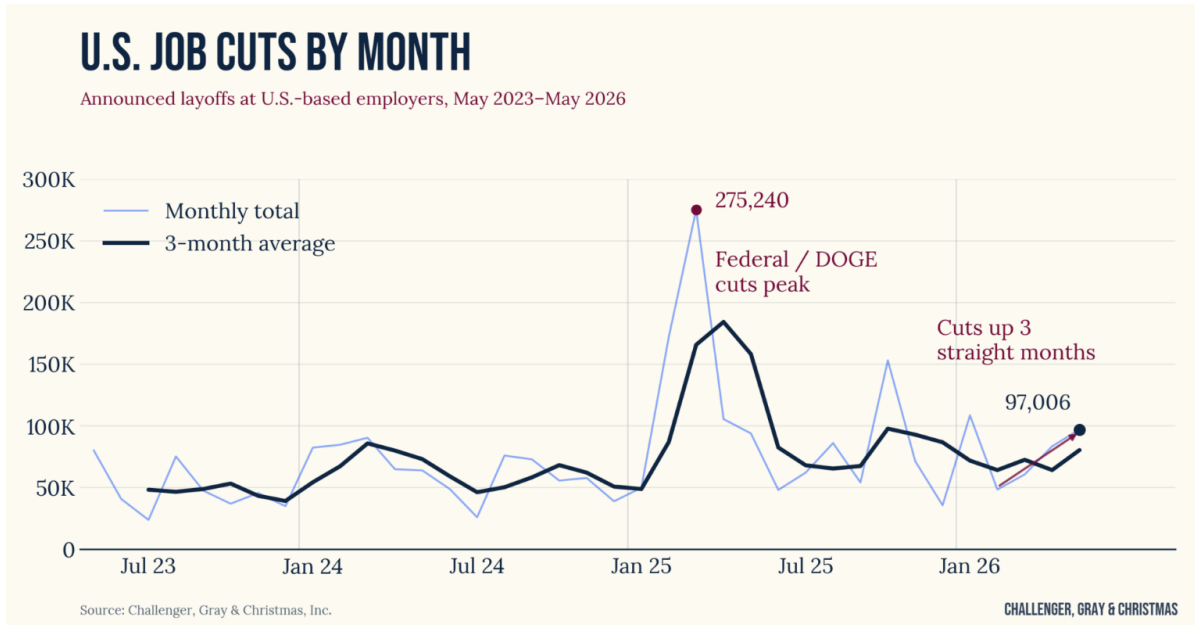
## Economic Indicators and Confidence:

### Institute for Supply Management

Monday, [Manufacturing](#): In May, “panelists remained worried about elevated prices and Iran war-related supply continuity,” despite “five straight months of manufacturing sector expansion, with what can now be termed pent-up demand leading to sustained buying.”

### Challenger, Gray, and Christmas

Thursday, [Job Cuts](#): “U.S.-based employers announced 97,006 job cuts in May, up 16 percent from the 83,387 job cuts recorded in April, and up 3 percent from the 93,816 announced in the same month last year. . . . Technology announced 38,242 job cuts in May. . . . The sector remains the leading job cutter of 2026 by a wide margin.”



**Mortgages and Housing Markets:**

Mortgage Bankers Association (MBA)

Tuesday, [Mortgage Delinquencies](#): “Commercial mortgage delinquencies were mixed in the first quarter of 2026. . . . ‘While overall loan performance remains relatively healthy, increases in Consumer Mortgage-Backed Securities and Fannie Mae delinquencies point to continued pressure from higher borrowing costs, refinancing challenges, and weaker conditions in some segments of the commercial real estate market,’” said Reggie Booker, MBA’s associate vice president of commercial research.

Wednesday, [Mortgage Applications](#): “Mortgage applications decreased 2.5 percent from one week earlier. . . . ‘The prospect of easing energy prices given the evolving situation in the Middle East brought mortgage rates slightly lower last week. The retreat in rates, however, did not lead to an increase in mortgage applications,’ said Joel Kan, Certified Mortgage Banker, MBA’s vice president and deputy chief economist.