Things getting better, experts say



MARY ALTAFFER / AP

Maria Johnson Bethune, center, of the Bronx, reacts after the cashier told her how much she saved with coupons and discounts, at the J.C. Penney in New York.

More buying, slow layoffs aid growth

Economy improving, despite fewer jobs being created, numbers show

By Christopher S. Rugaber
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WASHINGTON — Economic reports Thursday suggest employers are laying off fewer workers, businesses are ordering more computers and appliances, and consumers are spending with more confidence.

The latest data confirm that the economy is improving, even though too few jobs are being created to lower the 9.8 percent unemployment rate.

The number of people seeking unemployment benefits edged down by 3,000 to a seasonally adjusted 420,000, the Labor Department said Thursday. That was the second drop in three weeks.

Weekly unemployment applications at around 425,000 signal modest job growth. But economists say applications would need to dip consistently to 375,000 or below to indicate a significant decline in unemployment. Weekly applications peaked during the recession at 651,000 in March 2009.

The four-week average, a less volatile measure, rose slightly to 426,000. The average had fallen for six straight weeks to the lowest level in more than two years.

Orders for long-lasting manufactured goods, excluding the volatile transportation category, rose by the most in eight months in November, the Commerce Department said. Factories saw demand increase for computers, appliances and heavy machinery.

Total orders for durable goods dropped 1.3 percent, the Commerce Department reported Thursday. That decline reflected sagging demand for aircraft and autos. But excluding transportation, orders rose 2.4 percent, the best showing since last March.

Personal spending rose modestly last month, giving the economy a lift before the holidays. Spending increased 0.4 percent in November, the fifth straight monthly increase.

Consumers' incomes grew 0.3 percent last month, lifted by gains in stock portfolios.