

Initial Unemployment Insurance Claims rose By 6K to 222K in Holiday Week Ending April 19 But Continuing Claims Fell by 37K to 1.841 Million in the Week Ending April 12.

- Initial jobless claims rose by 6,000 to 222,000 in the holiday (Good Friday) week ending April 19.
- The four-week moving average of initial claims fell by 1,000 to 220,000 in the holiday week ending April 19.
- Continuing unemployment insurance claims declined by 37,000 to 1.841 million in the week ending April 12.
- The labor market should soften this year as the pace of job growth slows.

Initial claims for unemployment insurance rose by 6,000 to 222,000 in the holiday (Good Friday) week ending April 19. The four-week moving average of initial claims, which averages out some of the weekly volatility, edged down by 1,000 to 220,000 for the holiday week ending April 19, remaining near the lower end of a 213,000 to 238,000 range in the past seven months.

Continuing unemployment insurance claims fell by 37,000 to 1.841 million in the week ending April 12, reversing the 34,000 (revised down) rise in the previous week. The four-week moving average of continuing claims edged down by 1,000 to 1.864 million. Both levels are close to 75,000 above the same period last year, suggesting it is taking unemployed workers somewhat longer to find a new job. The insured unemployment rate held steady at 1.2 percent in the week ending April 12, the same as a year ago.

There is a growing but still small impact from the Department of Government Efficiency's layoffs of Federal government employees. Initial jobless claims filed by fired civilian Federal employees were 629 in the week ending April 12, up by 87 from the previous week. There were 7,025 continuing claims filed by fired civilian Federal employees in the week ending April 5, a decrease of 167 from the previous week. This is below the 14,000 decline of Federal government employees in February and March combined according to the BLS. We expect another small decline in April but much bigger declines in May and June.

The labor market remained solid in the opening quarter of 2025 and thus far in April. We expect the labor market to weaken in the remainder 2025 with smaller job gains than the 152,000 monthly average in the first quarter and last year's monthly average rise of 166,000 (2.0 million new jobs in 2024). This will raise the unemployment rate from 4.2 percent in March to near 4.7 percent later this year.

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