# Economic Update

November 22, 2023

## Initial and Continuing UI Claims Down in Mid-November; Labor Market Remains Solid Even as Job Growth Eases

- **Initial claims for unemployment were 209,000 in the week ending November 18, down by 24,000 from the previous week. The four-week moving average fell slightly.**

- **Continuing claims were down to 1.840 million in the week ending November 11, down by 22,000. But the four-week moving average of continuing claims rose to its highest level in almost one year.**

- **The initial and continuing claims data are consistent with a strong labor market but easing job growth.**

Initial claims for unemployment insurance fell to 209,000 in the week ending November 18, down from 233,000 in the previous week (revised slightly higher from 231,000). The four-week moving average of initial claims, which smooths out some of the volatility, was 222,000 in the week ending November 18, down from 220,750 in the previous week (after revisions).

After increasing to around 250,000 per week in mid-2023, initial claims have fallen in the second half of the year, to around 225,000. Although this is up somewhat from late 2022 and early 2023, initial claims remain very low and are at a level consistent with solid job growth and a strong labor market.

Continuing unemployment insurance claims fell to 1.840 million in the week ending November 11, down from 1.862 million the previous week (revised lower from 1.865 million). The four-week moving average of continuing claims was 1.837 million in the week ending November 11, up from 1.823 million (revised slightly lower).

This is the highest level for the four-week moving average for continuing claims since December 2021. Continuing claims have gradually increased since bottoming out at around 1.3 million in the fall of 2022, but remain very low on an historical basis. The increase in continuing claims over the past year is an indication that laid-off workers are taking a somewhat longer time to find a new job. The increase is also consistent with the slightly higher unemployment rate in the U.S.; it was 3.9% in October, up from 3.4% (the lowest rate in more than 50 years) in April.

Layoffs are up somewhat, job growth is slowing to a more sustainable pace, and it is a bit harder for unemployed workers to find a new job. From the Federal Reserve's perspective, these are welcome developments. The central bank would like to see a bit more slack in the labor market; this will slow wage growth and reduce inflationary pressures, allowing inflation to gradually ease to the Fed's 2% objective.


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Non-seasonally-adjusted claims were up by more than 1,000 in five states in the week ending November 11, with the biggest increases in Massachusetts (3,000) and New York (2,600). Claims were down by more than 1,000 in Oregon (-1,400) and Georgia (-1,000).

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