

Initial and Continuing Claims Fell in Late-December and Early-January Consistent with a Continued Solid Labor Market

- **Initial claims for unemployment insurance (UI) fell by 1,000 in the holiday shortened week ending January 6, and remain very low on an historical basis.**
- **Continuing UI claims fell by 34,000 in the week ending December 30, indicating that firms are not laying off workers, but are cutting back on hiring new ones.**

Initial claims for unemployment insurance were 202,000 in the holiday shortened week ending January 6, down by 1,000 from a slightly upward revised 203,000 in the previous week. The four-week moving average of claims, which smooths out some of the volatility, was 208,000 in the week ending January 6, unchanged from the previous week. This is the lowest level since early-October.

Continuing claims were 1.834 million in the holiday shortened week ending December 30, down by a large 34,000 from an upward revised 1.868 in the previous week (was 1.855 million). The four-week moving average of continuing claims, which smooths out some of the volatility, was 1.867 million in the week ending December 30, down 8,000 from the previous week.

Continuing claims for unemployment insurance rose in the autumn but have fallen by 90,000 in the past six weeks through year-end 2023. At the same time, initial claims are down to near 210,000 from around 250,000 per week in mid-2023, and near decades-long lows. This indicates that few workers are losing their jobs, but that those who do lose them are taking longer to find new jobs. This suggests that businesses are not laying off workers, but are cutting back on hiring. This is consistent with slower but still positive employment growth as seen in the monthly jobs numbers and the hiring data in the JOLTS period.

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