

Initial and Continuing Claims Continued to Decline into Early-2024 Consistent with a Continued Solid Labor Market

- **Initial claims for unemployment insurance (UI) fell by 16,000 to 187,000 in the week ending January 13, the lowest level in the past year.**
- **Continuing UI claims fell by 26,000 to 1.806 million in the holiday shortened week ending January 6, a third straight large weekly decline.**

Initial claims for unemployment insurance were down to 187,000 in the week ending January 13, down by 16,000 from an unrevised 203,000 in the previous week. This is the lowest level for UI claims in the past year. The four-week moving average of claims, which smooths out some of the volatility, was 203,000 in the week ending January 13. This is the lowest level since early-February 2023. Companies are “hoarding” their workers given how difficult it is to find and hire new workers.

Continuing claims were 1.806 million in the holiday shortened week ending January 6, down by 26,000 from an unrevised 1.832 in the previous week. This is the third straight large weekly decline totaling 84,000. The four-week moving average of continuing claims, which smooths out some of the volatility, was 1.848 million in the week ending January 6, down by 14,000 from the previous week, and the lowest since mid-November 2023.

Continuing claims for unemployment insurance rose in the autumn but have fallen by 120,000 in the past seven weeks through the first week of 2024. At the same time, initial claims are down to near 203,000 from around 250,000 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 report in the final quarter of 2023.

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