

Initial Jobless Claims Remained at a Low 212K in Mid-April and Continuing Claims Rose By Only 2K to 1.812 million in Early-April; The Labor Market Remains Strong

- **Initial claims for unemployment insurance were unchanged at 212,000 in the week ending April 13. The four-week moving average was unchanged at 215,000.**
- **Continuing claims rose by 2,000 to 1.812 million in the week ending April 6 and the four-week moving average rose by 4,000 to 1.805 million.**

Initial Unemployment Insurance (UI) claims held steady at 212,000 in the week ending April 13. The four-week moving average of claims, which smooths out some of the weekly volatility in this data set, remained at 215,000. UI Claims have remained unusually steady and low by historical standards signally that the labor market remains strong. The 200,000 mark appears to be a solid floor for the Initial Claims measure, with the weekly results having bouncing upward from that level once reached throughout the second half of 2023 and again in the first four months of 2024.

Continuing claims rose by 2,000 to 1.812 million in the week ending April 6 from a downward revised 1.810 million in the previous week (was 1.817 million) The four-week moving average of continuing claims, which smooths out some of the weekly volatility in this data set, edged up by 4,000 to 1.805 million from a downward unrevised 1.801 million in previous week (was 1.803 million).

While UI Claims are still at healthy levels in an historical context, the labor market is becoming better balanced between demand for and supply of workers which will help moderate upward wages pressures, especially as legal immigration has risen by over 1 million in each of the past two years. This is a theme that will please the Federal Reserve and pave the way or rate cuts starting in the third quarter. PNC expects the first 25 bps funds rate cut at the July 31 FOMC meeting (pushed back from the June meeting) and a second cut at the November meeting.

PNC Economics

economics@pnc.com

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Gus Faucher
Chief Economist

Stuart Hoffman
Senior Economic Advisor

Kurt Rankin
Senior Economist

Ershang Liang
Economist