

Datanote: US Weekly Jobless Claims, April 6

**In one line: Generous seasonals
still depressing claims, but an
uptrend is coming**

- Weekly initial claims fell to 211K from 222K, a bit below the consensus, 215K.

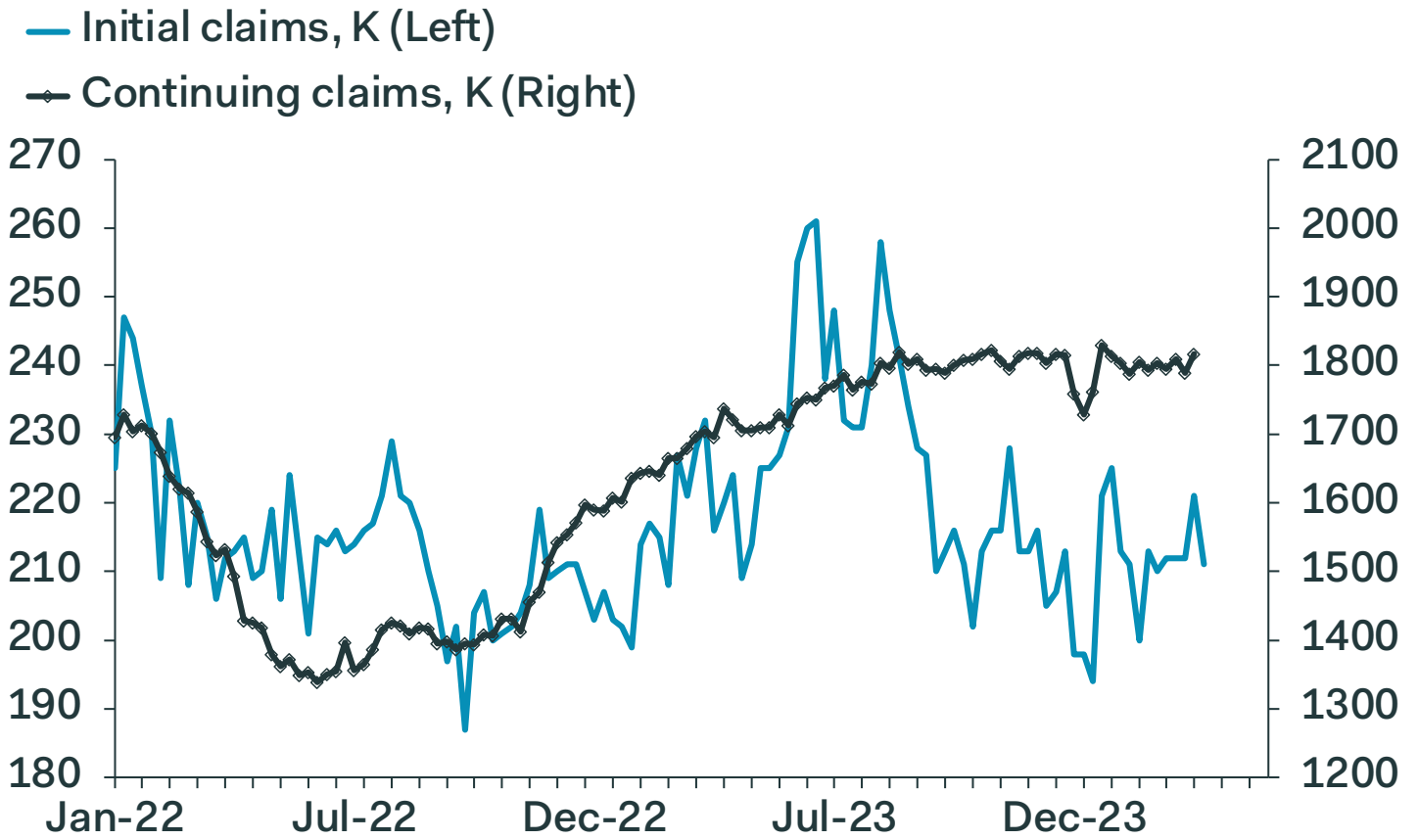
- Continuing claims ticked up to 1,817K from 1,789K, a bit above the consensus, 1,800K.

Seasonal adjustment problems related to the timing of Easter are still depressing initial claims slightly relative to the underlying trend, an issue we've also identified in the previous two weeks' numbers. Our second chart shows that the Labour Department used a higher seasonal factor in 2024 than in comparable weeks that included an early Easter. Since the seasonally adjusted series is calculated by dividing the unadjusted numbers by the seasonal factors a higher factor means, all else equal, a

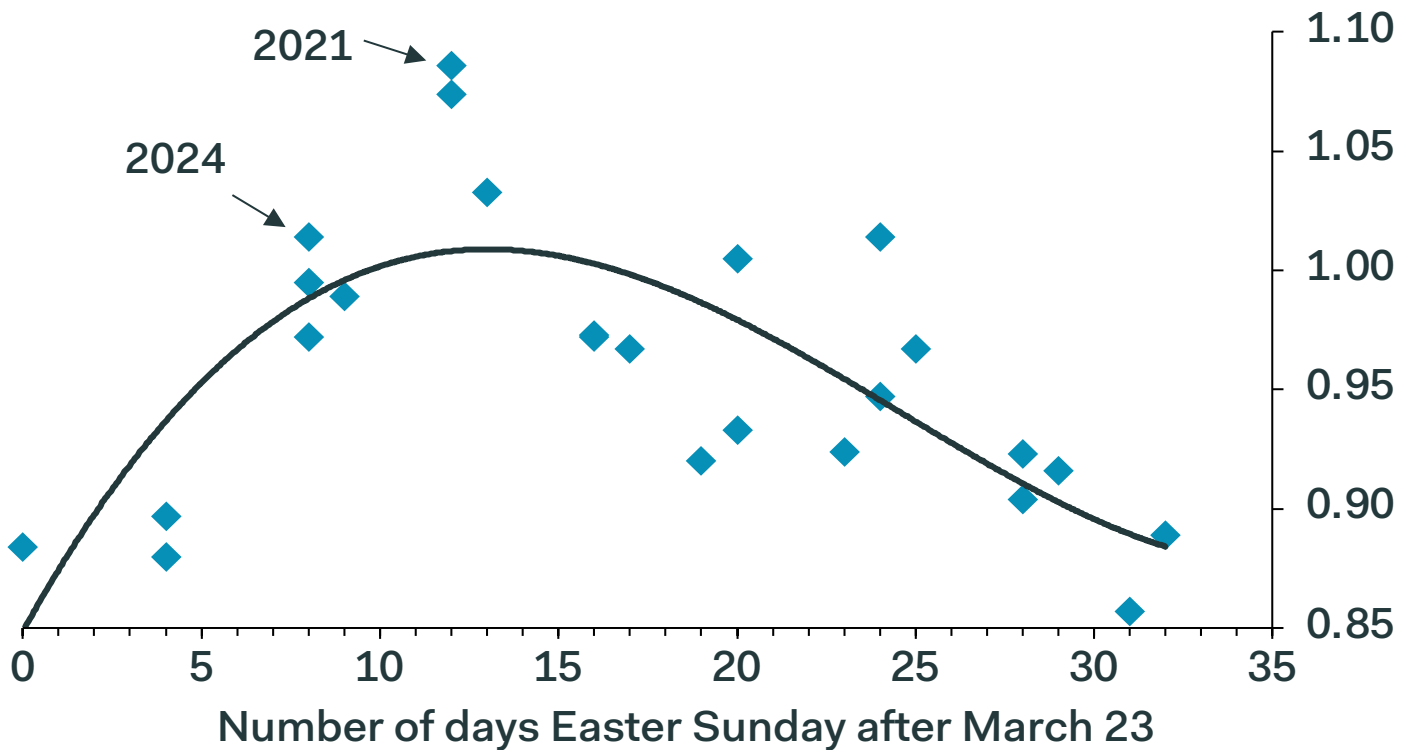
lower adjusted reading. If the same seasonal used in the week ending 6 April 2013—the last time Easter fell on 31 March—was used for the latest data, claims would reported at 215K.

The big picture is that initial claims remain very low, but they are likely to rise across Q2. Less-generous seasonals in the weeks ahead will nudge up the published numbers, but we also expect a more fundamental deterioration in the coming months, given the raft of indicators pointing in

that direction, including WARN layoff announcements, the Challenger job cuts data and Google searches for 'layoffs'. We can now add the New York Fed's survey measure of consumers' judgement on the likelihood of losing their job to that list too, given its surge in March. This weakness is still absent from the official claims and payrolls numbers but, given the usual lags, we expect it to show up soon.



◆ Timing of Easter and seasonal factor for initial jobless claims in week containing Easter Sunday



- Challenger layoff announcements, thousands, SA by PM (Left)
- ◆— Initial jobless claims, thousands (Right)

