

Datanote: US Weekly Jobless Claims, February 8

In one line: Low claims highlight lack of near-term pressure for Fed easing.

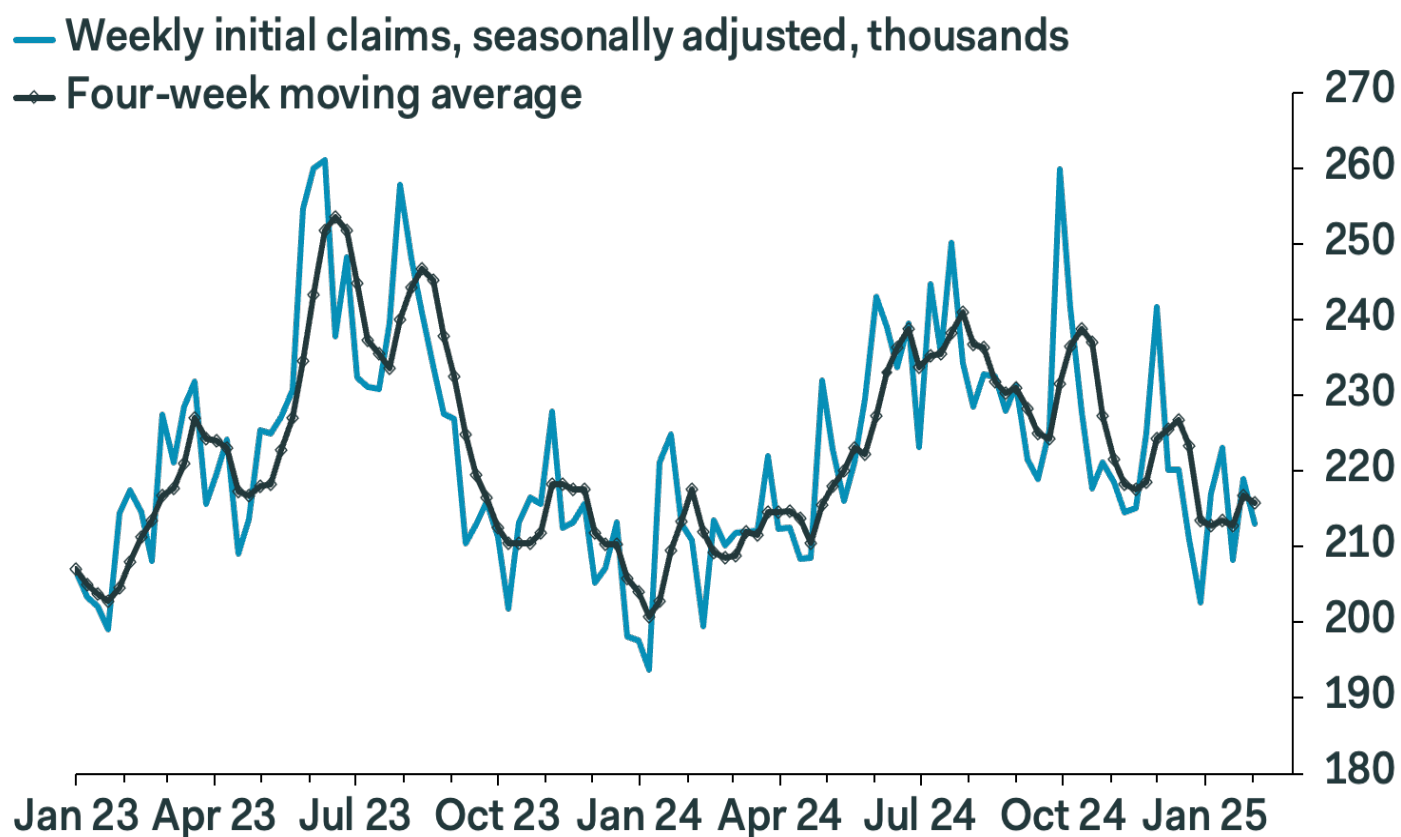
- Initial jobless claims fell to 213K, from 220K, a bit below the consensus, 216K.
- Continuing claims dipped to 1,850K, from 1,886K, also slightly below the consensus, 1,882K.

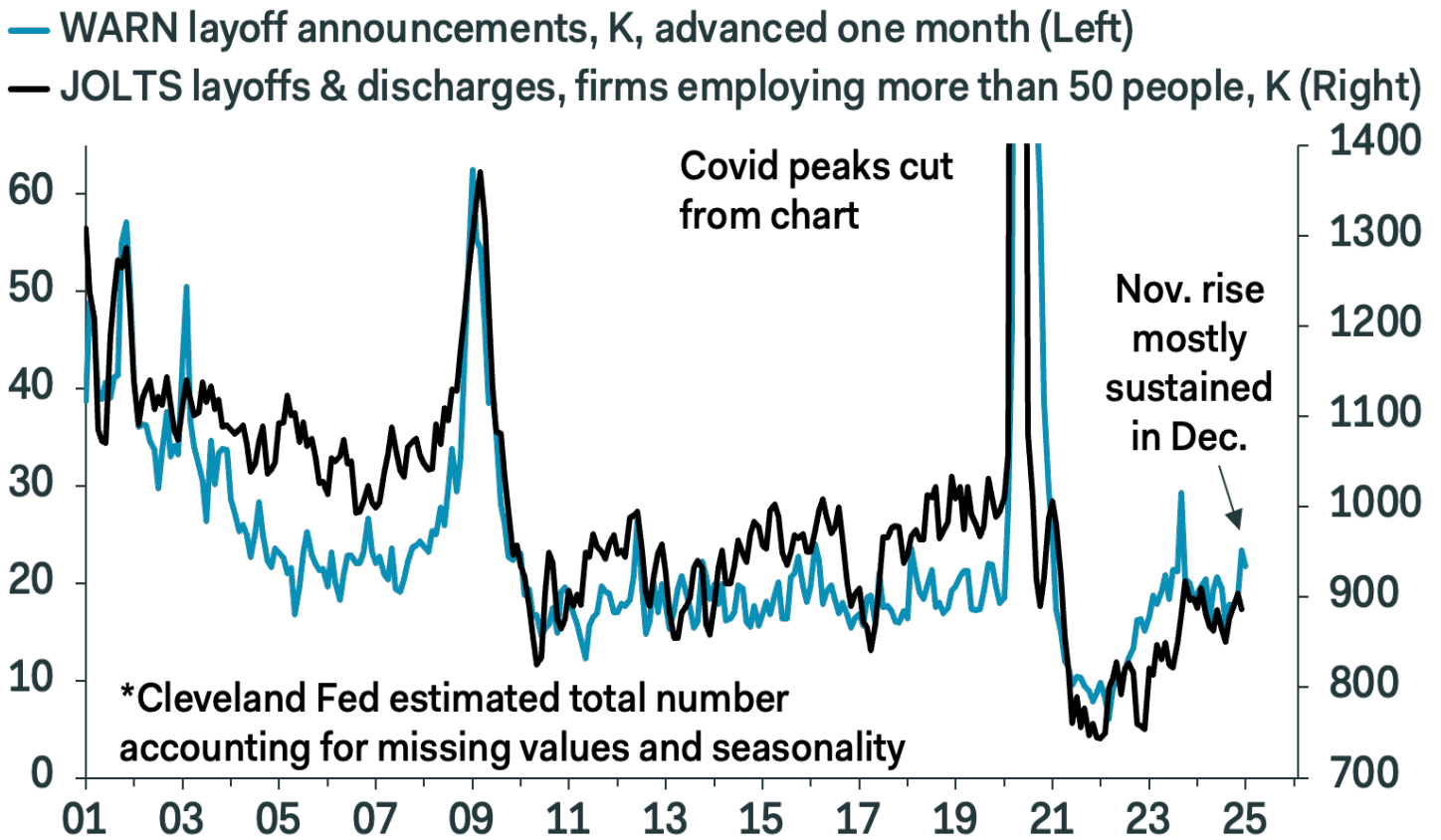
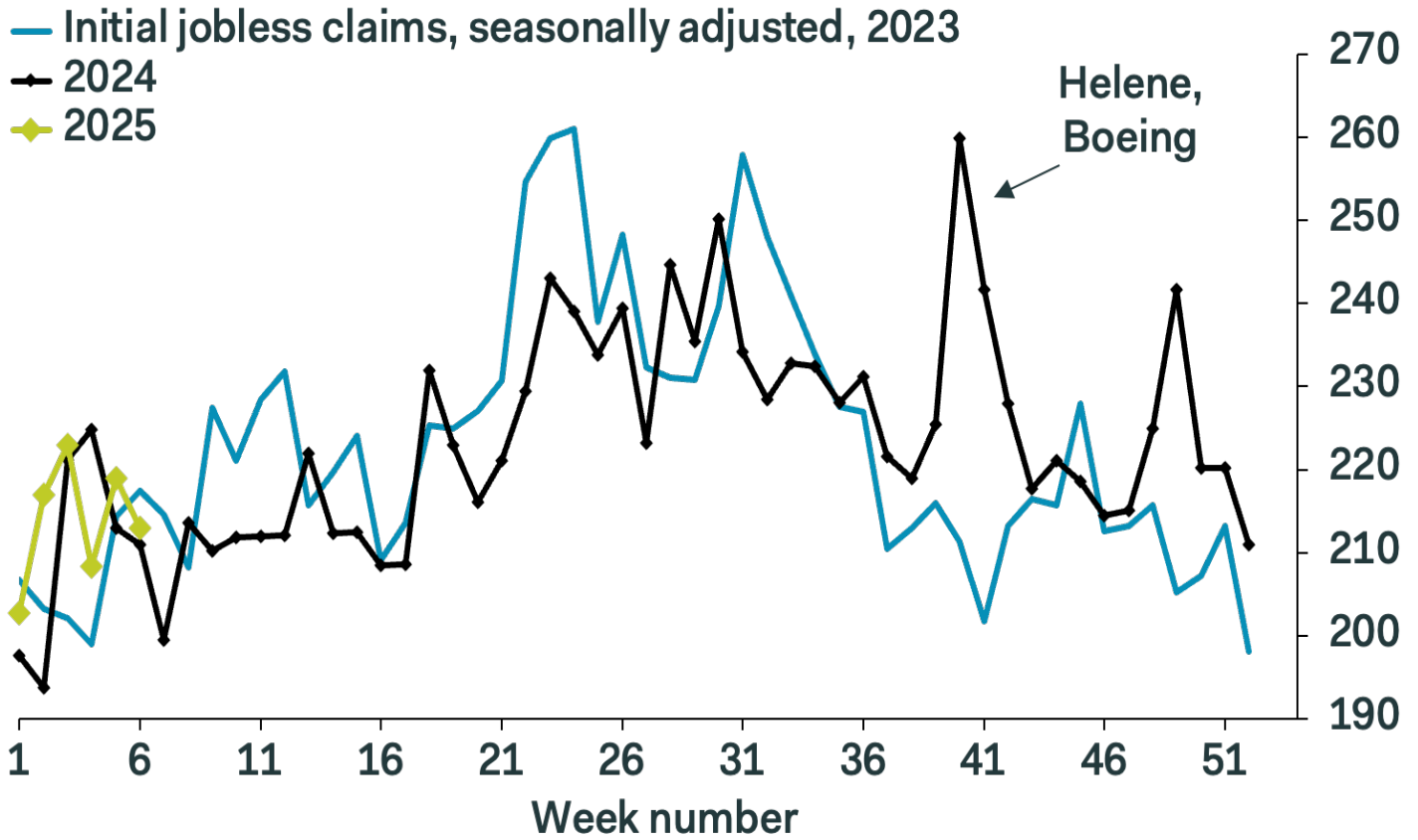
The small decline in initial claims last week leaves the four-week average roughly around the 215K mark, where it has been since the start of this year. This probably slightly understates the true pace of initial claims, which have roughly tracked their seasonally adjusted paths in 2024 and 2023 this year so far, as our second chart shows. That suggests that the seasonals are struggling to account for the shift in the timing of layoffs in recent years away from the winter months and towards the summer. Even so, the big picture

remains that initial claims have been very low for a long time.

Leading indicators of claims paint a mixed picture. Businesses intending to lay off more than 50 people at any worksite are legally required to submit a WARN filing, so the uptick in WARN filings in November—which was mostly sustained in December—points to a meaningful rise in layoffs in the near term. However, Challenger job cut announcements fell by 40% year-over-year in January, and generally

suggests that initial claims will remain very low. The Fed will be in little rush to ease policy while the claims numbers suggest the labor market still is holding up relatively well.





— Challenger layoff announcements, thou., 3m ave., SA by PM (Left)
 —◇— Initial jobless claims, 3-month average, thousands (Right)

