

Datanote: US Weekly Jobless Claims, March 2

In one line: The only way is up

- Initial claims were unchanged at 217K, trivially above the consensus, 216K.
- Continuing claims nudged up to 1,906K, from a downwardly-revised 1,898K, a bit above the consensus, 1,880K.

The seasonal patterns suggested

little change in initial claims, and the four-week moving average was also essentially unchanged. Claims have been remarkably steady since last fall, oscillating around the 210K mark. That's close to record lows as a share of the workforce and, on the face of it, consistent with a strong labour market.

Elsewhere, however, cracks are starting to appear. Several indicators of layoffs point to a significant rise in claims in the months ahead, including the Challenger layoff announcement

numbers, which crept up further in February. Combined with the drop in gross hiring flagged by the NFIB survey's hiring intentions index, we think the labour market will look significantly weaker in a few months' time.



