

Weekly UI Claims Up at End of March, But Remain Low, But Continuing Claims Fell; Solid Job Growth Expected for March

- **Initial claims for unemployment insurance rose somewhat in the week ending March 30, but remained in their 2024 range.**
- **Continuing claims fell slightly.**
- **The US labor market remains very strong.**
- **PNC expects job growth in March of 210,000, with a small decline in the unemployment rate.**

Initial claims for unemployment insurance rose by 9,000 in the week ending March 30 to 221,000, the highest reading since late January. Claims for the week ending March 23 were revised slightly higher, to 212,000 from the initially reported 210,000. The four-week moving average of initial claims, which smooths out some of the volatility, rose slightly to 214,000 from 211,000. In 2024 initial claims have been running around 200,000 to 220,000 per week, consistent with strong job growth. The timing of the Easter holiday may have contributed to the increase in claims in the week ending March 30.

Continuing claims for unemployment insurance fell slightly in the week ending March 23 to 1.791 million, down from 1.810 million the previous week (revised lower from 1.819 million). The four-week moving average of continuing claims was essentially unchanged at 1.80 million. Continuing claims have been running at around 1.8 million throughout 2024, up from below 1.7 million at the beginning of 2023.

Taken together, initial and continuing UI claims are reporting that layoffs remain very low, but that unemployed workers are having a bit more difficulty in finding a job than they were in 2022 and 2023 as businesses have cut back somewhat on hiring new workers. The labor market remains historically strong, with the unemployment rate below 4% for more than two straight years, the longest-such stretch since the late 1960s.

PNC expects job growth of 210,000 for March when the Bureau of Labor Statistics releases the employment report tomorrow morning. This is somewhat below the recent pace—job growth averaged 265,000 in the three months through February—but still solid. PNC expects the unemployment rate to fall to 3.8% in March from 3.9% in February. Job growth should continue throughout 2024, albeit at a somewhat slower pace than in 2023, as the US economy continues to expand. The unemployment rate should end the year above 4% as slower growth creates a bit more slack in the labor market.

PNC Economics

economics@pnc.com

Visit pnc.com/economicreports for more information from PNC Economics.

Gus Faucher
Chief Economist

Stuart Hoffman
Senior Economic Advisor

Kurt Rankin
Senior Economist

Ershang Liang
Economist