

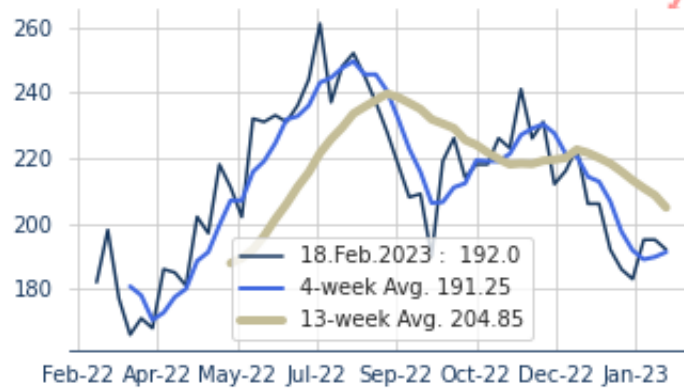
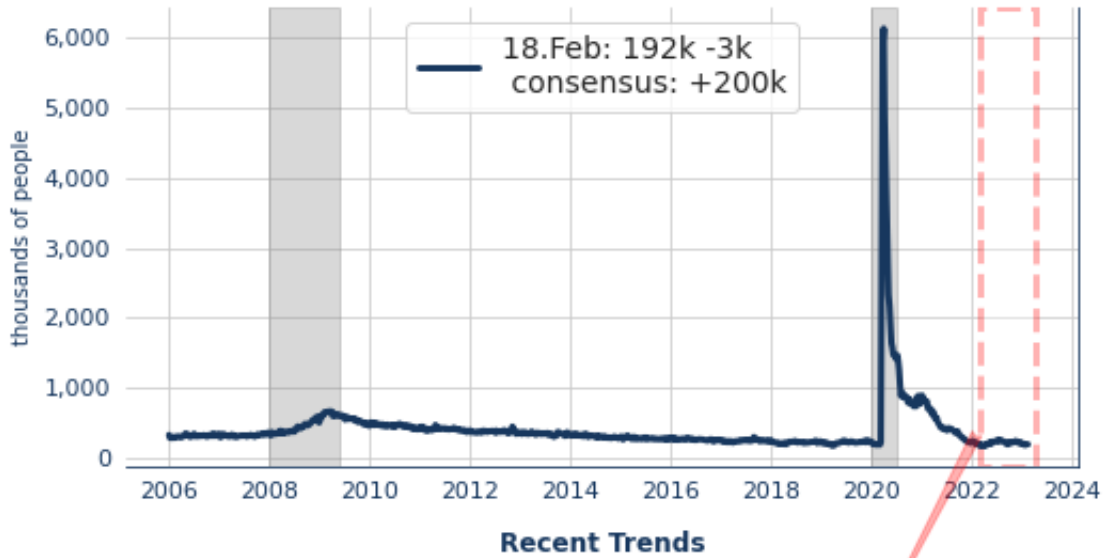
23.Feb.2023

Jobless Claims: Still Below 200k

Bottom Line: Jobless claims dropped to their lowest level in four weeks, countering expectations for a rebound to 200k. Our Nowcast model suggested declines last week and suggests claims have remained stubbornly low this week. While the models have forecast claims correctly, the overall low level of claims remains surprising relative to the slow pace of overall growth in the economy. We remain mindful that some employees who lost jobs in the early rounds of large company layoff announcements last year will start to lose severance pay and could be looking to collect benefits in the coming months. So while claims remain historically low, we are watching closely for signs of an uptick in the trend.

Initial Jobless Claims

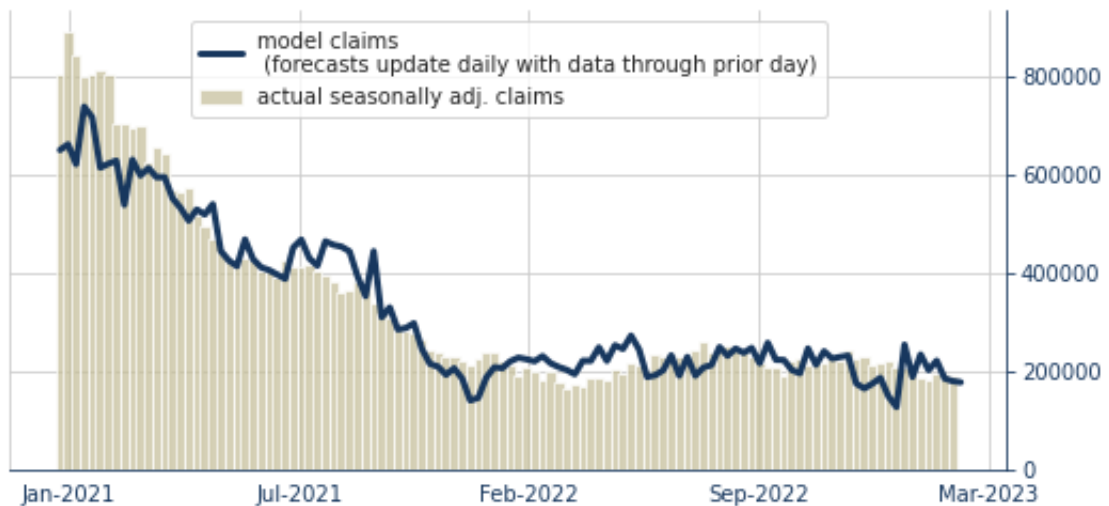
18.Feb: 192k -3k consensus: +200k



Contingent Macro Advisors 2023 source: BLS via FRED

Nowcasting Initial Jobless Claims

Our Nowcast model forecast a decline of -15k this week to 177k.



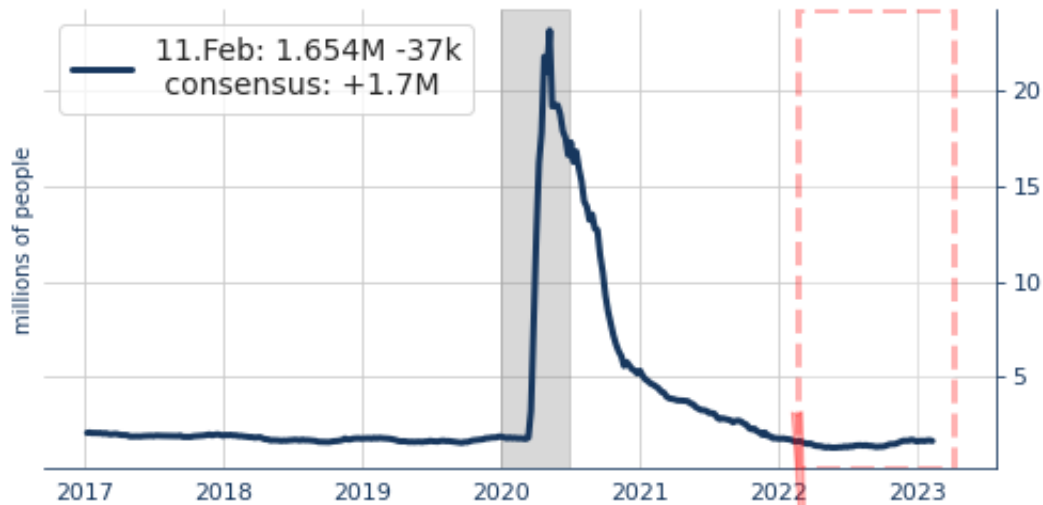
Initial Jobless Claims FELL -3k in the week ended February 18th to 192k, ABOVE

the 4-week average of 191.25k, BELOW the 13-week average of 204.84615k but -6k BELOW the year-ago level. Claims for the 11th of Feb were revised up from +194k to +195k. Non-seasonally adjusted Claims FELL -14.465k Continuing Claims FELL -37k in the week ended February 11th to 1.654M, BELOW the 4-week average of 1.66875M, BELOW the 13-week average of 1.666M but 21k ABOVE the year-ago level.

Continuing Claims for the 4th of Feb were revised down from +1.696M to +1.691M The Insured Jobless Rate FELL -10bps in the week ended February 11th The insured jobless rate only reflects the number of people collecting regular state unemployment insurance.

Continuing Claims

Uptrend that started in late '22 has lost momentum.



Recent Trends



Contingent Macro Advisors 2023 source: BLS via FRED

US Weekly Jobless Claims in 000s	Feb-18	Feb-11	Feb-04	Jan-28	Jan-21	Jan-14	Jan-07	Dec-31
Initial Jobless Claims SA	192	195	195	183	186	192	206	206
wk chg (SA)	-3	0	12	-3	-6	-14	0	-17

Initial Jobless Claims NSA	211	225	234	225	225	288	340	278
wk chg (NSA)	-14	-9	9	-0	-63	-52	62	9
4-week avg (SA)	191	190	189	192	198	207	213	214
chg in 4wk avg	2	1	-3	-6	-9	-6	-2	-6
13-week avg (SA)	205	209	211	213	216	218	220	222
chg in 13k avg	-4	-2	-2	-3	-2	-2	-2	-1
Continuing Claims in 000s (one week lag)	Feb-11	Feb-04	Jan-28	Jan-21	Jan-14	Jan-07	Dec-31	Dec-24
Continuing Claims SA	1654	1691	1680	1650	1666	1655	1630	1697
wk chg (SA)	-37	11	30	-16	11	25	-67	-21
Continuing Claims NSA	1922	1948	1926	1911	1864	1909	1870	1711
wk chg (NSA)	-27	23	15	47	-45	39	159	134
4-week avg (SA)	1669	1672	1663	1650	1662	1675	1678	1688
chg in 4wk avg	-3	9	12	-12	-13	-4	-10	7
13-week avg (SA)	1666	1658	1643	1629	1617	1599	1578	1558
chg in 13k avg	8	15	14	13	18	21	20	26

source: Bureau of Labor Statistics via St. Louis Fed FRED