

2026-5-15

Filings for jobless benefits hits 211,000, up slightly from the week prior

ΣCΘ

The Denver Gazette 15 May 2026 · C4 · The Associated Press

WASHINGTON · The number of Americans filing for jobless aid rose last week but remains historically low despite the economic uncertainty caused by the war in Iran.



U.S. applications for unemployment benefits for the the week ending May 9 rose by 12,000 to 211,000, the Labor Department reported Thursday. That's slightly more than the 207,000 new applications analysts surveyed by the data firm FactSet had forecast.

Weekly filings for unemployment benefits are considered a proxy for U.S. layoffs and are close to a real-time indicator of the health of the job market.

Despite relatively few layoffs, the labor market appears to be stuck in what economists call a "low-hire, low-fire" state. That has kept the unemployment rate low at 4.3%, but left many of those out of work struggling to find new employment.

Though U.S. employers delivered a surprising 115,000 new jobs in April, the Iran war has injected a large degree of uncertainty about the broader U.S. economy and labor market.

The Strait of Hormuz, where onefifth of the world's oil travels through, remains closed. Since the beginning of the war in late February, oil prices have spiked more than 50% and the average price for a gallon of gas in the U.S. has climbed to \$4.53 from less than \$3. Besides hitting consumers' pocket-books, those higher costs can discourage businesses from hiring.

Data from the U.S. government this week revealed that inflation at the consumer level rose 3.8% from April 2025, the biggest jump in three years. Food prices are also up, but may not yet fully reflect rising energy costs due to the Iran war, analysts say.

Another report this week showed that wholesale prices shot up 6% from a year ago, the highest point in more than three years. The Labor Department's producer price index — which tracks inflation before it hits consumers — shot up 1.4% from March to April, the biggest monthly gain in more than four years.

This comes at a time when U.S. inflation is already above the Federal Reserve's 2% goal. Two weeks ago, the Fed opted to leave its benchmark rate alone, citing economic uncertainty caused by instability in the Middle East and still-elevated inflation.

Lower interest rates can boost the economy and hiring, but also tend to stoke inflation, leading a number of Federal Reserve policymakers to say they are willing to consider an interest rate hike this year.

On top of that, the recent artificial intelligence boom and the investment required to develop it could alter or even replace some jobs.

A number of high-profile companies have cut jobs recently, including Verizon, UPS, Amazon, Disney and Walmart.

Weekly jobless aid applications have stabilized in a range mostly between 200,000 and 250,000 since the U.S. economy emerged from the pandemic recession. However, hiring began slowing about two years ago and tapered further in 2025 due to President Donald Trump's erratic tariff rollouts, his purge of the federal workforce and the lingering effects of high interest rates meant to control inflation. Employers added fewer than 200,000 jobs last year, compared with about 1.5 million in 2024, according to the data firm FactSet.

The Labor Department's report Thursday showed that the four-week moving average of jobless claims, which evens out some of the week-to-week gyrations, inched up by 750 to 203,750.

The total number of Americans filing for unemployment benefits for the previous week ending May 2 jumped by 24,000 to 1.78 million, in line with analyst forecasts.