

Economic Update, January 9, 2026
Submitted by Madison Thorn

Summary:

For the week ending January 3, initial unemployment claims were 208,000, and the Dallas Federal Reserve Bank's Weekly Economic Index was at 2.13 percent. In November 2025, the national unemployment rate was 4.6 percent, and Tennessee's was 3.6 percent. Job openings were 7.1 million in November, and in December, nonfarm payroll employment increased by 50,000. The payroll company ADP reported 41,000 private-sector jobs added in December 2025, with 4.4 percent year-over-year pay growth. Paychex reported that the small business job index remained stable in 2025.

New orders for manufactured goods fell 1.3 percent in October, while shipments rose 0.1 percent, and unfilled orders increased 0.2 percent. The goods and services trade deficit declined to \$29.4 billion in October, with exports rising to \$302.0 billion and imports falling to \$331.4 billion, although the year-to-date deficit was 7.7 percent higher than in the same period in 2024. Wholesale trade sales in October were \$704.9 billion, down 0.4 percent from September but up 4.6 percent from October 2024, and inventories rose 0.2 percent over the month. In December, the average price of regular gasoline was \$2.89 per gallon, down 5.1 percent from November and down 4.1 percent from December 2024. And the Mortgage Bankers Association reported mortgage applications declined 9.7 percent over the two weeks ending January 2, 2026, with refinance activity still over 100 percent higher than a year earlier.

Federal Government Indicators and Reports:

Bureau of Labor Statistics

Wednesday, [State Employment and Unemployment](#): "Unemployment rates were higher in November [2025] than a year earlier in 16 states and the District of Columbia, lower in 8 states, and little different in 26 states. . . . October 2025 data from the household survey were not collected due to the lapse in federal appropriations; therefore, the unemployment analysis in this news release includes over-the-year changes only. The national unemployment rate, 4.6 percent, was 0.4 percentage point higher than in November 2024. . . . In November 2025, nonfarm payroll employment was essentially unchanged in all 50 states and the District of Columbia. Over the year, nonfarm payroll employment increased in 12 states, decreased in the District, and was essentially unchanged in 38 states." Tennessee's unemployment rate for November 2025 was 3.6 percent, lower than that of the U.S. as a whole.

Wednesday, [Job Openings and Labor Turnover](#): "The number of job openings was little changed at 7.1 million in November [2025]. . . . Over the month, hires were little changed and total separations were unchanged at 5.1 million each. Within separations, both quits (3.2 million) and layoffs and discharges (1.7 million) were little changed."

Friday, [Employment Situation](#): "Both total nonfarm payroll employment (+50,000) and the unemployment rate (4.4 percent) changed little in December [2025]. . . . Employment continued to trend up in food services and drinking places, health care, and social assistance. Retail trade lost jobs."

Department of Labor

Thursday, [Initial Claims](#): "In the week ending January 3, the advance figure for seasonally adjusted initial claims was 208,000, an increase of 8,000 from the previous week's revised level. The

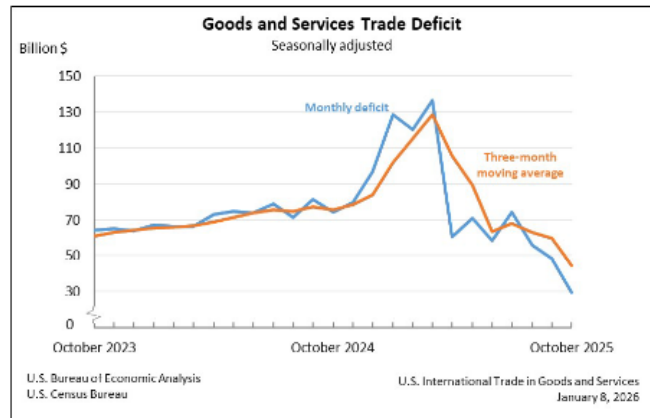
previous week's level was revised up by 1,000 from 199,000 to 200,000. The 4-week moving average was 211,750, a decrease of 7,250 from the previous week's revised average. This is the lowest level for this average since April 27, 2024 when it was 210,250. The previous week's average was revised up by 250 from 218,750 to 219,000.”

Census Bureau

Wednesday, [Manufacturers’ Shipments, Inventories, & Orders](#): “New orders for manufactured goods in October [2025], down following two consecutive monthly increases, decreased \$8.1 billion or 1.3 percent to \$604.8 billion. . . . This followed a 0.2 percent September increase. Shipments, up following two consecutive monthly decreases, increased \$0.5 billion or 0.1 percent to \$607.0 billion. This followed a 0.1 percent September decrease. Unfilled orders, up fifteen of the last sixteen months, increased \$2.7 billion or 0.2 percent to \$1,492.8 billion. This followed a 0.8 percent September increase. The unfilled orders-to-shipments ratio was 6.92, down from 6.98 in September. Inventories, up following two consecutive monthly decreases, increased \$0.4 billion or virtually unchanged to \$947.0 billion. This followed a 0.1 percent September decrease. The inventories-to-shipments ratio was 1.56, unchanged from September.”

Thursday, [U.S. International Trade in Goods and Services](#): “The goods and services deficit was \$29.4 billion in October [2025], down \$18.8 billion from \$48.1 billion in September, revised. . . . October exports were \$302.0 billion, \$7.8 billion more than September exports. October imports were \$331.4 billion, \$11.0 billion less than September imports. . . . The October decrease in the goods and services deficit reflected a decrease in the goods deficit of \$19.2 billion to \$59.1 billion and a decrease in the services surplus of \$0.4 billion to \$29.8 billion. . . . Year-to-date, the goods and services deficit increased \$56.0 billion, or 7.7 percent, from the same period in 2024. Exports increased \$168.6 billion or 6.3 percent. Imports increased \$224.6 billion or 6.6 percent.”

U.S. INTERNATIONAL TRADE IN GOODS AND SERVICES DEFICIT		
Deficit:	\$29.4 Billion	-39.0%*
Exports:	\$302.0 Billion	+2.6%*
Imports:	\$331.4 Billion	-3.2%*
Next release: Thursday, January 29, 2026		
(*) Statistical significance is not applicable or not measurable. Data adjusted for seasonality but not price changes.		
Source: U.S. Census Bureau, U.S. Bureau of Economic Analysis; U.S. International Trade in Goods and Services, January 8, 2026.		



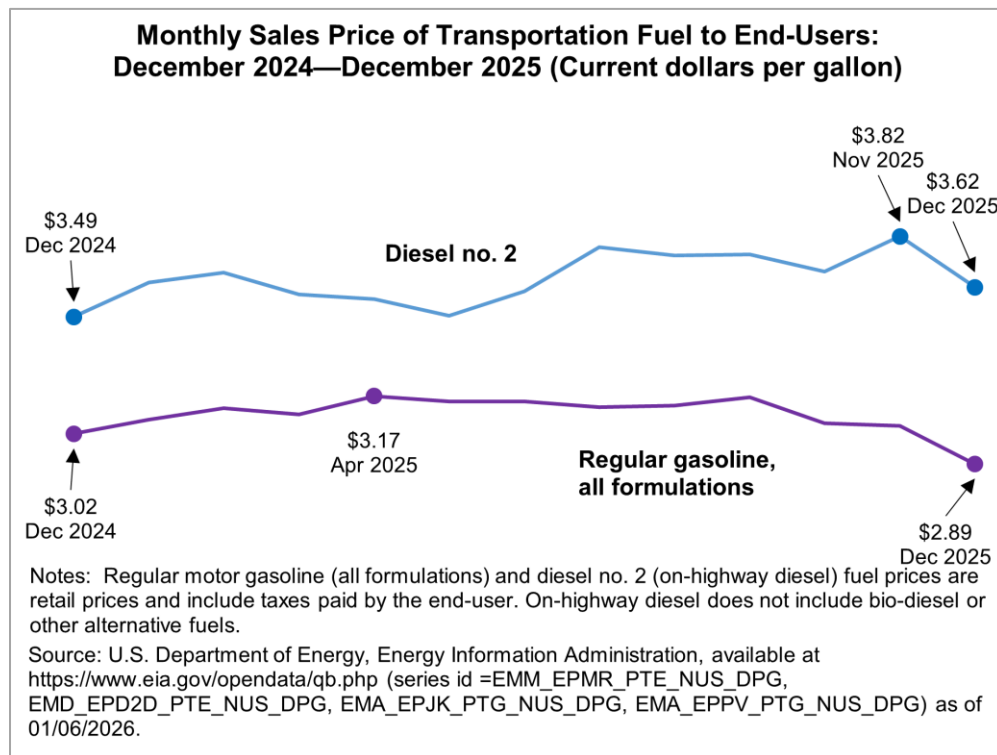
Thursday, [Monthly Wholesale Trade](#): “October 2025 sales of merchant wholesalers. . . . were \$704.9 billion, down 0.4 percent from the revised September level, but were up 4.6 percent from the revised October 2024 level. The August 2025 to September 2025 percent change was unrevised from the preliminary estimate of down 0.2 percent. . . . Total inventories of merchant wholesalers . . . were \$913.5 billion at the end of October, up 0.2 percent from the revised September level. Total inventories were up 1.7 percent from the revised October 2024 level.”

Friday, [New Residential Construction](#): “Privately-owned housing units authorized by building permits in October [2025] were at a seasonally adjusted annual rate of 1,412,000. This is 0.2 percent below the revised September rate of 1,415,000 and is 1.1 percent below the October 2024 rate of 1,428,000. Single-family authorizations in October were at a rate of 876,000; this is 0.5 percent below

the revised September figure of 880,000. Authorizations of units in buildings with five units or more were at a rate of 481,000 in October. . . . Privately-owned housing completions in October were at a seasonally adjusted annual rate of 1,386,000. This is 1.1 percent above the revised September estimate of 1,371,000, but is 15.3 percent below the October 2024 rate of 1,636,000. Single-family housing completions in October were at a rate of 1,009,000; this is 6.0 percent above the revised September rate of 952,000. The October rate for units in buildings with five units or more was 367,000.”

Bureau of Transportation Statistics

Tuesday, [Motor Fuel Prices](#): “In December 2025, the average price for regular motor gasoline was \$2.89 per gallon; down 5.1 percent from November 2025 and down 4.1 percent from December 2024. . . . The average price for diesel no. 2 was \$3.62 in December 2025, down 5.4 percent from November 2025, and up 3.5 percent from December 2024.”



Economic Indicators and Confidence:

Federal Reserve Bank of Dallas

Thursday, [Weekly Economic Index](#) (WEI): “The WEI is currently 2.13 percent, scaled to four-quarter GDP growth, for the week ended Jan. 3 and 2.49 percent for Dec. 27. The 13-week moving average is 2.24 percent. This is compared with 2.33 percent four-quarter GDP growth through third quarter 2025.”

Federal Reserve Bank of New York

Thursday, [Survey of Consumer Expectations](#): “The December 2025 *Survey of Consumer Expectations*. . . shows that households’ inflation expectations increased at the short-term horizon and remained unchanged at the medium- and longer-term horizons. Job finding expectations declined to a series low—the second series low for the measure in six months—while job loss expectations also worsened. Spending and household income growth expectations remained largely unchanged.

Delinquency expectations deteriorated to the highest level since the onset of the pandemic, but respondents were more optimistic about their future household financial situations.”

Employment:

ADP

Wednesday, [National Employment Report](#): “Private sector employment increased by 41,000 jobs in December [2025] and pay was up 4.4 percent year-over-year.” Nela Richardson, ADP’s chief economist, said “Small establishments recovered from November job losses with positive end-of-year hiring, even as large employers pulled back.”

Paychex

Tuesday, [Small Business Employment Watch](#): “2025 marked a year of consistency for U.S. small business job and wage growth trends. The monthly report’s Small Business Jobs Index, which reflects the payroll data of Paychex’s customers with fewer than 50 employees, experienced minimal change throughout the year and averaged 99.67 in 2025. Meanwhile, hourly earnings growth (2.71 percent) closed the year below three percent for the 17th consecutive month.”

Mortgages and Housing Markets:

Mortgage Bankers Association

Wednesday, [Mortgage Applications](#): “Mortgage applications decreased 9.7 percent from two weeks earlier. . . . for the week ending January 2, 2026. . . . The Market Composite Index, a measure of mortgage loan application volume, decreased 9.7 percent on a seasonally adjusted basis from two weeks earlier. On an unadjusted basis, the Index decreased 28 percent compared with two weeks ago. The holiday adjusted Refinance Index decreased 14 percent from two weeks ago and was 133 percent higher than the same week one year ago. The unadjusted Refinance Index decreased 31 percent from two weeks ago and was 108 percent higher than the same week one year ago. The seasonally adjusted Purchase Index decreased 6 percent from two weeks earlier. The unadjusted Purchase Index decreased 23 percent compared with two weeks ago and was 10 percent higher than the same week one year ago.”