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July 8, 2025

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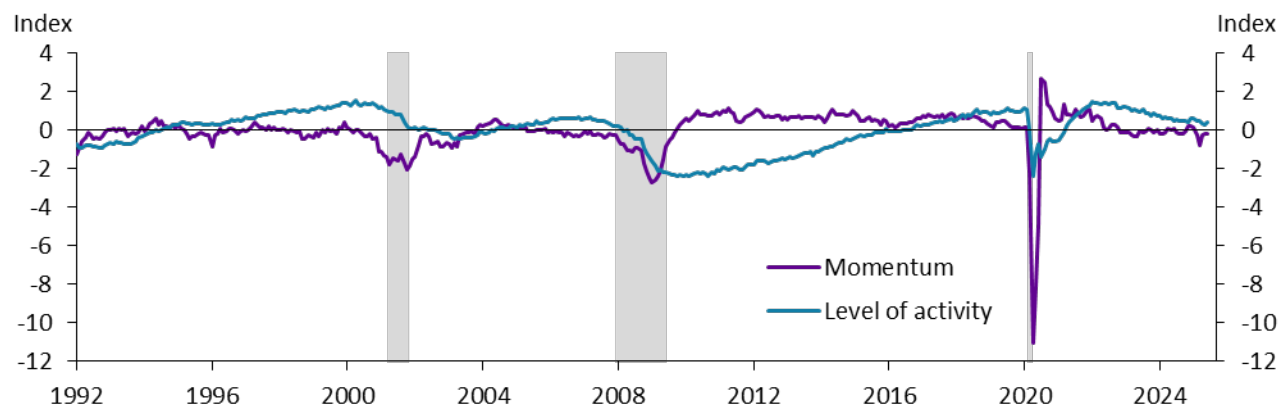
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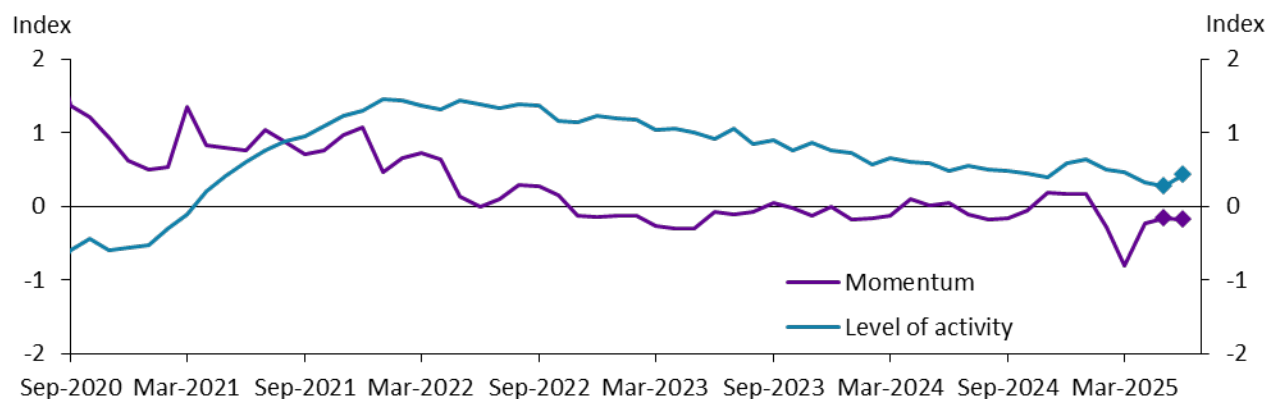
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The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased, and momentum was little changed in June. The level of activity increased by 0.15, from 0.27 to 0.42, and remains above its historical average. Meanwhile, the momentum indicator was little changed at -0.18 .

LMCI January 1992–June 2025



LMCI September 2020–June 2025



Note: Bottom chart begins in September 2020 to remove pandemic-related volatility and more clearly illustrate recent developments in the series.

The first column of the table below shows the labor market variables that made the largest contributions to the 0.15 increase in the activity indicator this month. Overall, 13 variables made a positive contribution to the change in the activity indicator, four variables made no contribution, and seven variables made a negative contribution. The largest positive contributor to the change in the level of activity was job leavers as a percent of the unemployed. In June, 11.8 percent of unemployed workers had voluntarily left their previous jobs, up from 9.8 percent in May. The largest negative contributor to the change in the level of activity was the share of unemployed individuals out of work 27 or more weeks, which increased from 20.4 to 23.3 percent in June.

Largest Contributions to the LMCI

Largest positive contributions to the change in the <i>level of activity</i> indicator in June 2025	Largest positive contributions to the change in the <i>momentum</i> indicator in June 2025
Job leavers	Announced job cuts (Challenger-Gray-Christmas)
Job flows from U to E	Expected job availability (U of Michigan)
Largest negative contributions to the change in the <i>level of activity</i> indicator in June 2025	Largest negative contributions to the change in the <i>momentum</i> indicator in June 2025
Unemployed 27 or more weeks	Aggregate weekly hours
Expected job availability (Conference Board)	Manufacturing employment index (ISM)

Note: Contributions are ordered from largest in absolute value to smallest.

The second column of the table shows the variables that made the largest contributions to the 0.01 decrease in the momentum indicator this month. Overall, 12 variables made a positive contribution to the change in the momentum indicator, four variables made no contribution, and eight variables made a negative contribution. The largest positive contributor to the change in momentum was announced job cuts (Challenger-Gray-Christmas). In June, firms announced 47,999 job cuts, down from 93,816 in May. The largest negative contributor to momentum was the three-month percent change in aggregate weekly hours. Aggregate weekly hours of private production and non-supervisory employees decreased by 0.64 percent from March to June 2025, down from a 0.57 percent increase from February to May 2025. While this change is large, this series is volatile and could revert next month.