



# NEWS RELEASE

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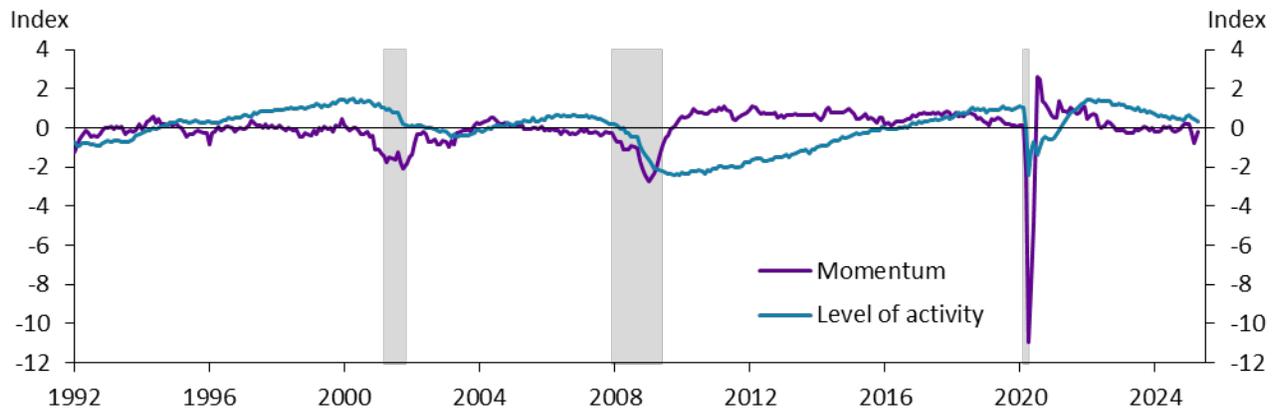
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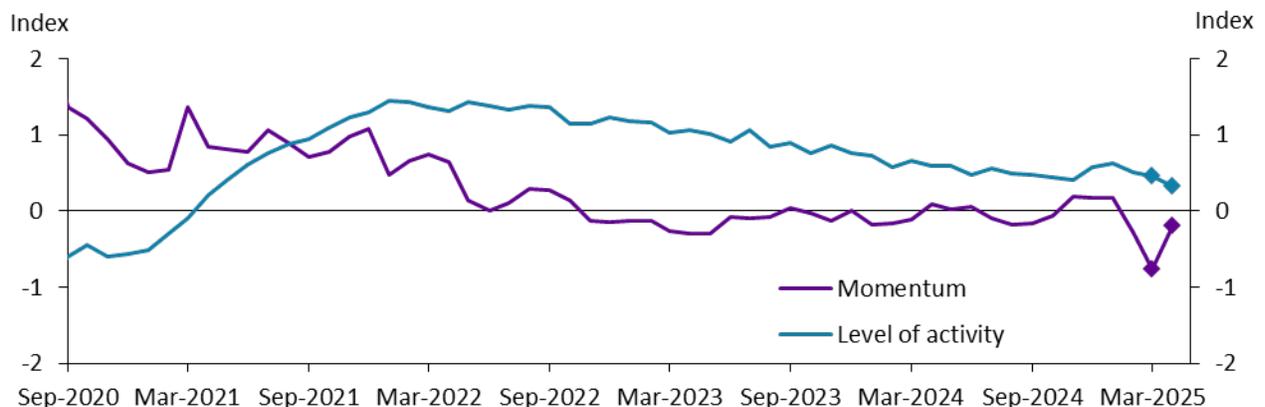
## The KC Fed LMCI suggests the level of activity declined and momentum rebounded in April.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined, and momentum rebounded in April. The level of activity declined by 0.14, from 0.46 to 0.32, remaining above its historical average. The momentum indicator increased by 0.57, from  $-0.77$  to  $-0.20$ . Following two months of sharp declines, momentum has retraced some of its losses, moving closer to its historical average.

### LMCI January 1992–April 2025



### LMCI September 2020–April 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 0.14 decline in the activity indicator this month. Overall, seven variables made a positive contribution to the change in the activity indicator, three variables made no contribution, and 14 variables made a negative contribution. The largest positive contributor to the change in the level of activity was the net percent of firms planning to increase employment from the National Federation of Independent Business (NFIB) survey. In April, on net, 13 percent of firms planned to increase employment, up from 12 percent in March. The largest negative contributor to the change in the level of activity was the percent of firms with positions not able to fill right now (NFIB). In April, 34 percent of firms had job openings that they could not fill, down from 40 percent in March, suggesting some loosening in the labor market.

**Largest Contributions to the LMCI**

<b>Largest positive contributions to the change in the level of activity indicator in April 2025</b>	<b>Largest positive contributions to the change in the momentum indicator in April 2025</b>
Percent of firms planning to increase employment (NFIB)	Announced job cuts (Challenger-Gray-Christmas)
Announced job cuts (Challenger-Gray-Christmas)	Manufacturing employment index (ISM)
<b>Largest negative contributions to the change in the level of activity indicator in April 2025</b>	<b>Largest negative contributions to the change in the momentum indicator in April 2025</b>
Percent of firms with positions not able to fill right now (NFIB)	Expected job availability (Conference Board)
Expected job availability (Conference Board)	Percent of firms with positions not able to fill right now (NFIB)

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 0.57 increase in the momentum indicator this month. Overall, 13 variables made a positive contribution to the change in the momentum indicator, three 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 April, firms announced 105,441 job cuts, down from 275,240 in March. This decline in job cuts accounted for most of the rebound in momentum. The largest negative contributor to momentum was the expected job availability index from the Conference Board. In April, the expected job availability index came in at 81.6, down from 87.9 in March. The April value is the lowest reading for the index since 2011. Readings below 100 indicate that more respondents expect there to be fewer jobs in six months than expect there to be more jobs. Overall, consumers and businesses continue to appear pessimistic about the future state of the labor market. However, current labor market conditions, as shown by the level of activity indicator, are within historical norms.

