

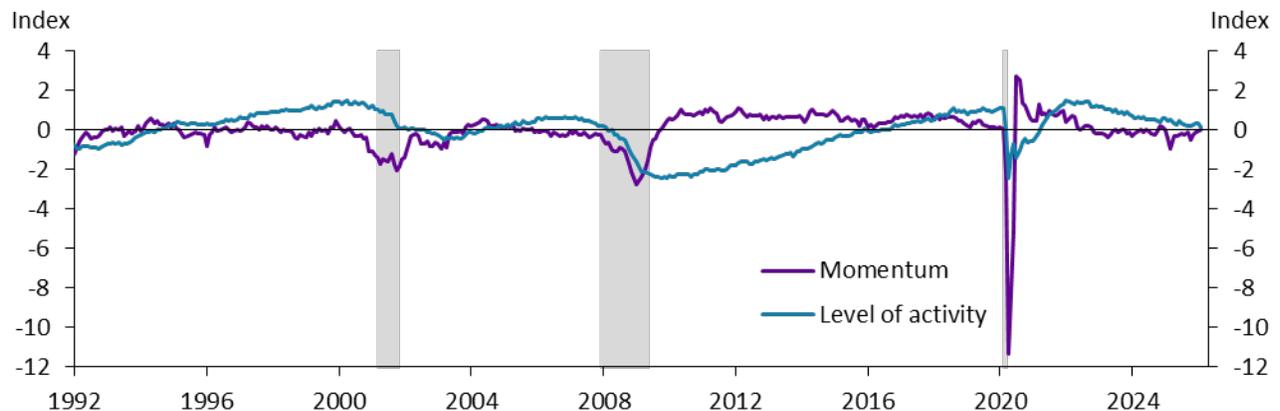
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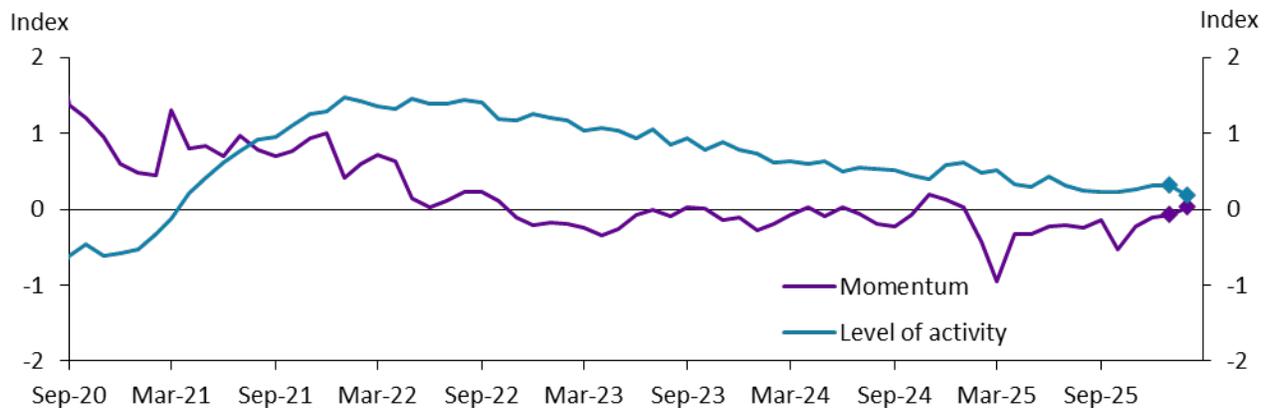
The KC Fed LMCI suggest the level of activity declined and momentum was little changed in February.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined and momentum was little changed in February. The level of activity decreased by 0.13, from 0.30 to 0.17, but remains above its historical average. Meanwhile, the momentum indicator was little changed, increasing by 0.09, from -0.07 to 0.02.

LMCI January 1992–February 2026



LMCI September 2020–February 2026



Note: Current Population Survey (CPS) data used as inputs for the October LMCI were imputed as the average of the September and November values.

The first column of the table below shows the labor market variables that made the largest contributions to the 0.13 decrease in the activity indicator this month. Overall, eight variables made a positive contribution to the change in the activity indicator, three variables made no contribution, and 13 variables made a negative contribution. The largest positive contributor to the change in the level of activity was the share of employed workers working part time for economic reasons. In February, 2.7 percent of employed workers reported working part time because they could not find full time work, down from 3.0 percent in January. The largest negative contributor to the change in the level of activity was job leavers as a percent of the unemployed. In February, 11.4 percent of unemployed workers had voluntarily left their previous jobs, down from 13.8 percent in January.

Largest Contributions to the LMCI

Largest positive contributions to the change in the <i>level of activity</i> indicator in February 2026	Largest positive contributions to the change in the <i>momentum</i> indicator in February 2026
Working part time for economic reasons	Announced job cuts (Challenger-Gray-Christmas)
Percent of firms with positions not able to fill right now (NFIB)	Expected job availability (U of Michigan)
Largest negative contributions to the change in the <i>level of activity</i> indicator in February 2026	Largest negative contributions to the change in the <i>momentum</i> indicator in February 2026
Job leavers	Aggregate weekly hours
Percent of firms planning to increase employment (NFIB)	Temporary help employment

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 0.09 increase in the momentum indicator this month. Overall, 12 variables made a positive contribution to the change in the momentum indicator, three variables made no contribution, and nine variables made a negative contribution. The largest positive contributor to the change in momentum was announced job cuts (Challenger-Gray-Christmas). In February, firms announced 48,307 job cuts, down from 108,435 a month prior. The largest negative contributor to the change in momentum was the three-month percent change in aggregate weekly hours for production and nonsupervisory employees. From December to February, aggregate weekly hours decreased by 0.08 percent, down from a 0.65 percent increase from November to January.