

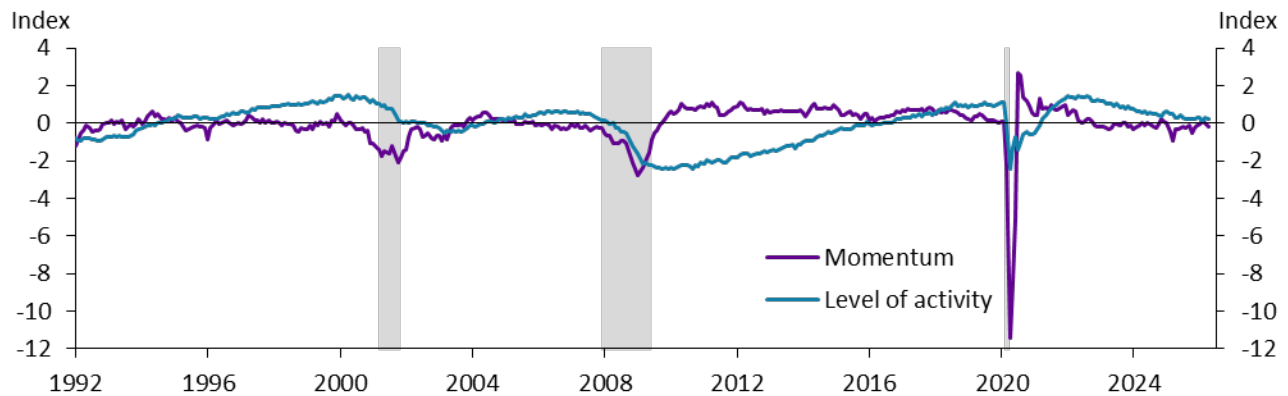
**FOR IMMEDIATE RELEASE**  
May 12, 2026

Contact: Bill Medley  
816-881-2556  
Bill.Medley@kc.frb.org

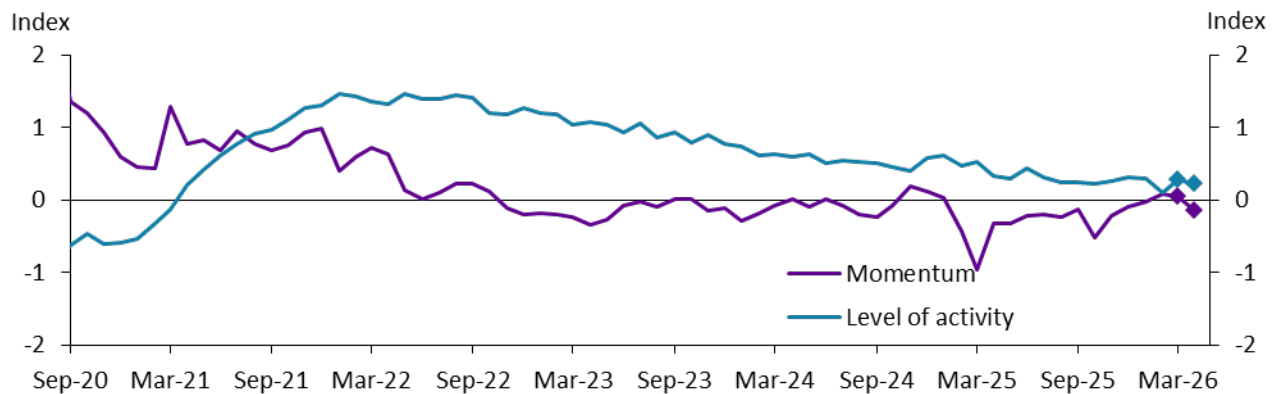
**The KC Fed LMCI suggest the level of activity declined slightly and momentum decelerated modestly in April.**

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined slightly and momentum decelerated modestly in April. The level of activity declined by 0.04, from 0.27 to 0.23, but remains above its historical average. The momentum indicator decreased by 0.19, from 0.04 to -0.15.

**LMCI January 1992–April 2026**



**LMCI September 2020–April 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 0.04 decrease in the activity indicator this month. Overall, 10 variables made a positive contribution to the change in the activity indicator, four variables made no contribution, and 10 variables made a negative contribution. The largest positive 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, up from 32 percent in March. The largest negative contributor to the change in the level of activity was job leavers as a percent of the unemployed. In April, 11.3 percent of unemployed workers had voluntarily left their previous jobs, down from 12.4 percent in March, but essentially back to its February reading.

### Largest Contributions to the LMCI

Largest positive contributions to the change in the <i>level of activity</i> indicator in April 2026	Largest positive contributions to the change in the <i>momentum</i> indicator in April 2026
Percent of firms with positions not able to fill right now (NFIB)	Job flows from U to E
Percent of firms planning to increase employment (NFIB)	Expected job availability (Conference Board)
Largest negative contributions to the change in the <i>level of activity</i> indicator in April 2026	Largest negative contributions to the change in the <i>momentum</i> indicator in April 2026
Job leavers	Announced job cuts (Challenger-Gray-Christmas)
Working part time for economic reasons	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 0.19 decrease in the momentum indicator this month. Overall, 10 variables made a positive contribution to the change in the momentum indicator, four variables made no contribution, and 10 variables made a negative contribution. The largest positive contributor to the change in momentum was flows from unemployment to employment (the job-finding rate). In April, 24 percent of workers who were previously unemployed found a job, down from 24.9 percent in March. Low job-finding rates are weakly associated with greater momentum, as they are a signal of slack in the labor market and thus indicate room to grow. The largest negative contributor to the change in momentum was announced job cuts (Challenger-Gray-Christmas). In April, firms announced 83,387 job cuts, up from 60,620 a month prior. Since 2020, the relationship between announced job cuts and actual layoffs has weakened, so the current reading of momentum may be understated.