

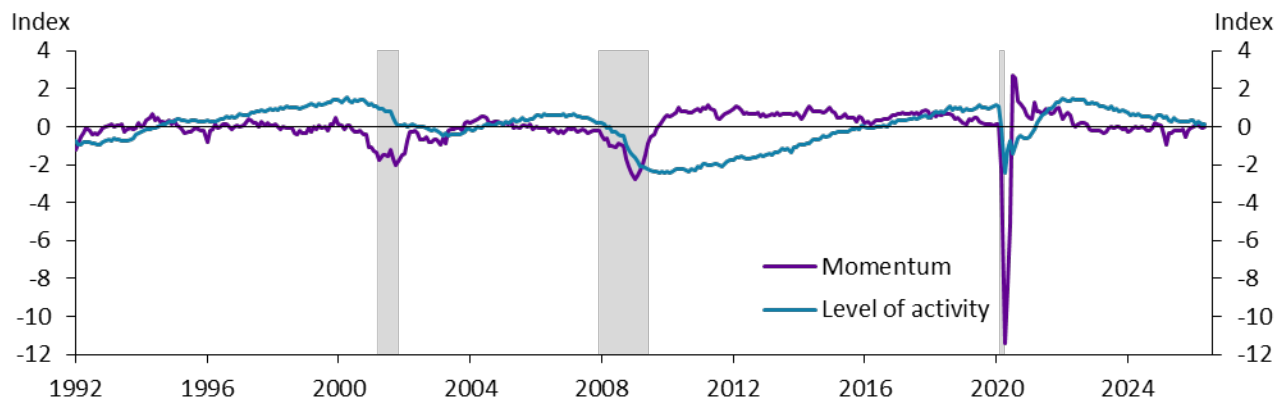
**FOR IMMEDIATE RELEASE**  
June 9, 2026

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

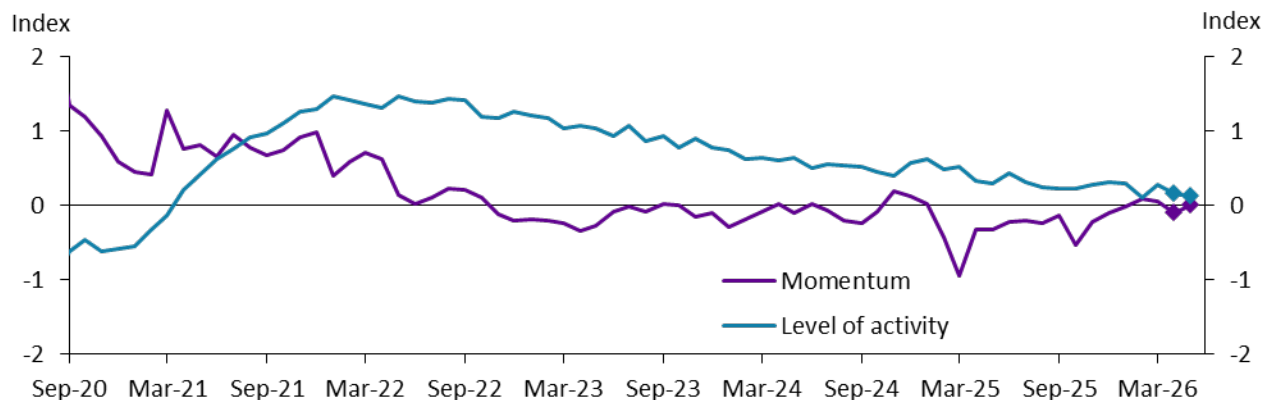
**The KC Fed LMCI suggest the level of activity and momentum were little changed in May.**

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity and momentum were little changed in May. The level of activity was 0.12 in May and remains above its historical average. The momentum indicator was 0.01 and remains near its historical average.

**LMCI January 1992–May 2026**



**LMCI September 2020–May 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 0.03 decrease in the activity indicator this month. Overall, 10 variables made a positive contribution to the change in the activity indicator, five variables made no contribution, and nine 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 May, 12.5 percent of unemployed workers had voluntarily left their previous jobs, up from 11.3 percent in April, but essentially back to its March reading. The largest negative contributor to the change in the level of activity was the percent of firms planning to increase employment (NFIB). In May, a net 9 percent of firms planned to increase employment in the next three months, down from 13 percent in April.

### Largest Contributions to the LMCI

Largest positive contributions to the change in the <i>level of activity</i> indicator in May 2026	Largest positive contributions to the change in the <i>momentum</i> indicator in May 2026
Job leavers	Manufacturing employment index (ISM)
Job flows from U to E	Aggregate weekly hours
Largest negative contributions to the change in the <i>level of activity</i> indicator in May 2026	Largest negative contributions to the change in the <i>momentum</i> indicator in May 2026
Percent of firms planning to increase employment (NFIB)	Announced job cuts (Challenger-Gray-Christmas)
Percent of firms with positions not able to fill right now (NFIB)	Percent of firms planning to increase employment (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 0.10 increase in the momentum indicator this month. Overall, nine variables made a positive contribution to the change in the momentum indicator, five variables made no contribution, and 10 variables made a negative contribution. The largest positive contributor to the change in momentum was the ISM manufacturing employment index. The index rose to 48.6 in May, up from 46.4 in April, but remains in contractionary territory (readings below 50 indicate economic contraction). The largest negative contributor to the change in momentum was announced job cuts (Challenger-Gray-Christmas). In May, firms announced 97,006 job cuts, up from 83,387 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.