



Insights infrastructure for the model-driven economy

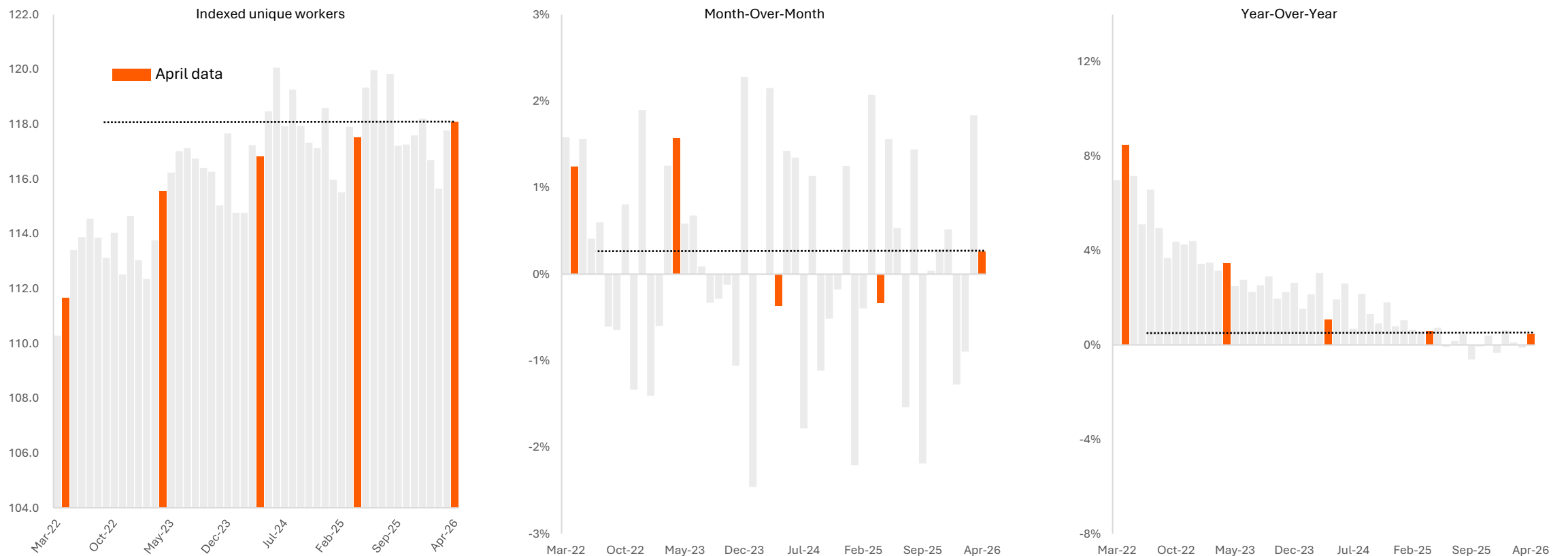
An Early Read on April SMB Hiring Shows Continued Improvement, but Not Uniform Strength

1. The SMB workforce expanded modestly in April, marking the first positive April M/M reading since 2023 and the strongest Y/Y growth rate in nearly a year.
2. Most regions followed the national pattern, with April growth stabilizing recent Y/Y trends, though East South Central and West North Central moved in notably different directions.
3. Sector strength remained concentrated in production and distribution-linked industries, with Construction, Manufacturing, Wholesale Trade, and Transportation showing the clearest momentum.
4. Wage growth looked stagnant nationally, but the regional mix shifted beneath the surface, with some former wage-growth leaders cooling while the Pacific and Mountain divisions showed signs of firming.

SMB Workforce Data Shows a Modest April Increase and Firmer Y/Y Growth

Data shows the SMB workforce expanded by 0.26% M/M in April 2026, the first positive April M/M reading since 2023. The Y/Y increase was in line with April 2025 and was the largest Y/Y increase over the last eleven months.

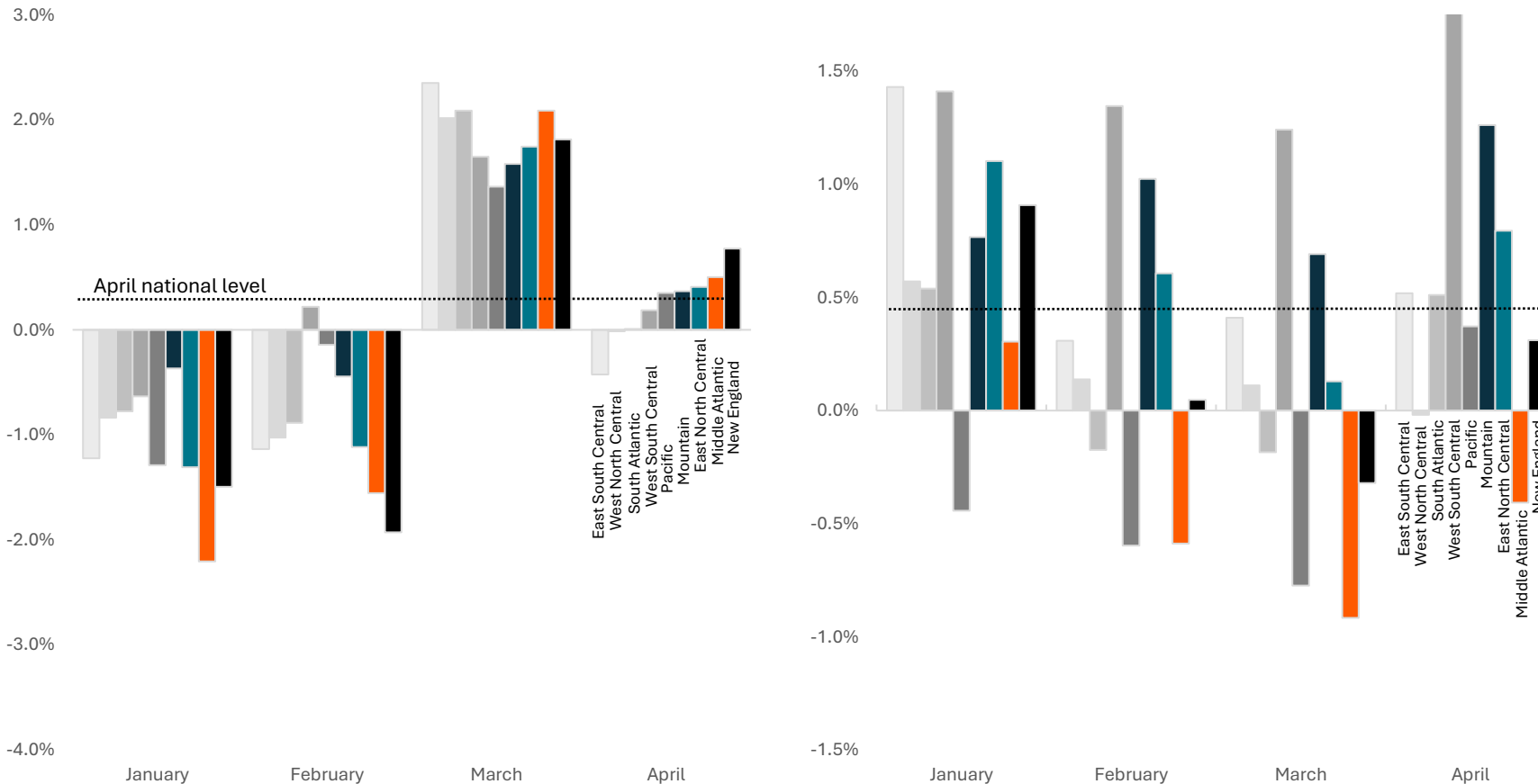
Indexed SMB workforce (left), month-over-month (center) and year-over-year change (right) in unique workers through April 2026



Most Regions Followed the National Trend in April, With Two Exceptions

All but two regional workforces followed a similar Y/Y pattern, with April's expansion halting what had been a two-month slide in growth. The two geographies that did not follow this theme are taking divergent paths from each other.

M/M (left) and Y/Y (right) change in SMB workforce by census divisions for the last four months ending April



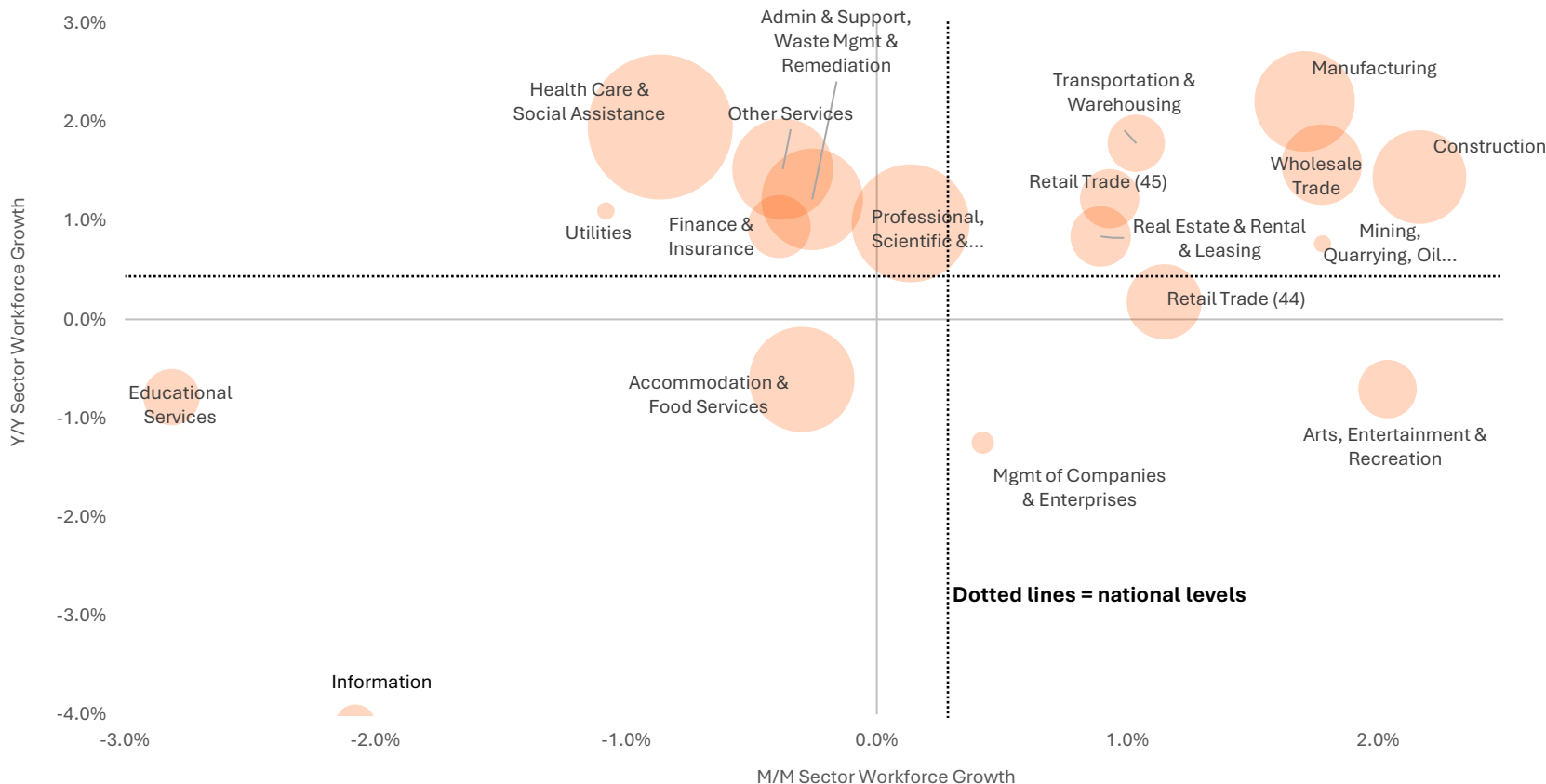
Key Takeaways:

- The New England and Middle Atlantic divisions show similar rebound patterns. Both produced above-average M/M increases in April and while Y/Y increases are still relatively moderate, April halted their emerging downtrends.
- Only two divisions showed Y/Y trends through April that differed from all others. The East South Central workforce expanded Y/Y for a third consecutive month, surpassing the national Y/Y rate, while the West North Central's workforce has produced steadily declining rates of growth.

Manufacturing and Construction Continued to Support the SMB Workforce

Construction, Manufacturing, and Wholesale Trade continued to lead the relative sector picture in April, while Information remained the clear laggard.

YY (y-axis) and M/M (x-axis) changes in SMB workforce by NAICS-2 sectors through April 2026



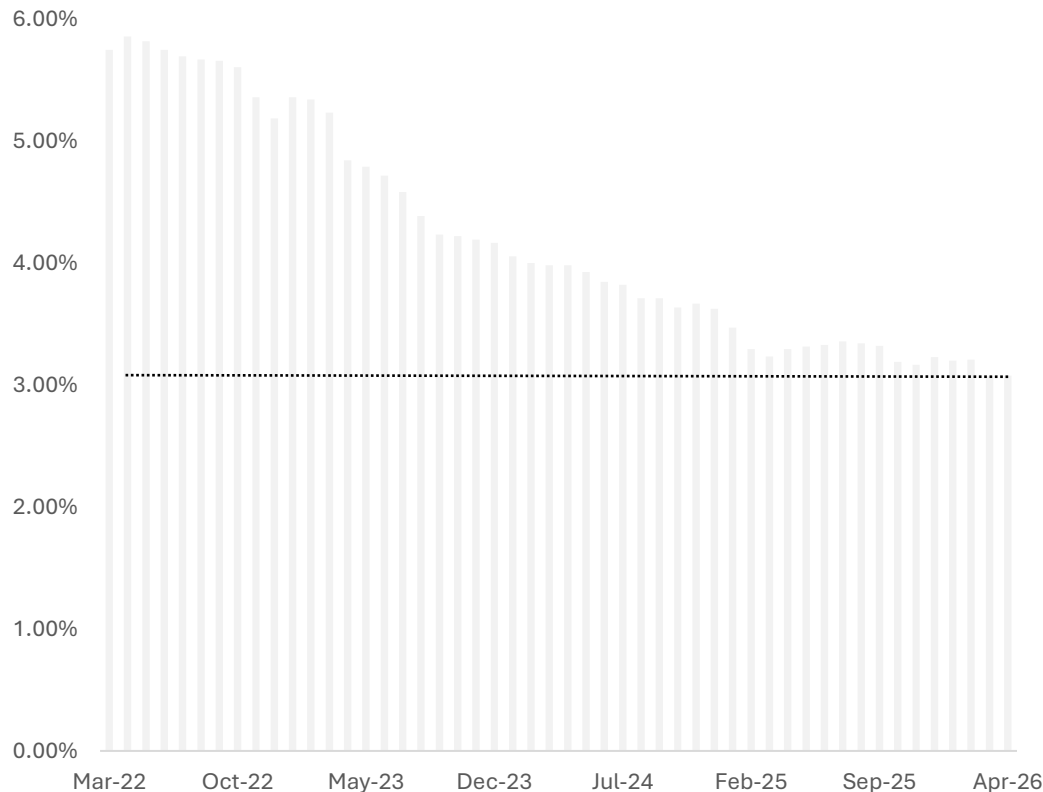
Key Takeaways:

- Construction, Manufacturing, Wholesale Trade, and Transportation & Warehousing all expanded in April, suggesting the strongest SMB labor-market momentum remains tied to production and distribution.
- The consumer-facing picture is mixed. Arts, Entertainment & Recreation rose sharply M/M, but remained down Y/Y, while Accommodation & Food Services fell M/M and Y/Y, suggesting seasonal improvement did not translate into broad consumer-service strength.
- The biggest pockets of weakness remained in knowledge-work and institutionally exposed categories: Information was the clear laggard, while Educational Services also weakened and SMB Health Care jobs lagged in April.

Stagnant Wage Growth Masked Regional Differences

At the regional level, prior wage-growth leaders (West North Central and East North Central) have seen consistent cooling, while the Pacific and Mountain divisions are showing signs of firming wage growth.

Rolling 3-month Y/Y change in median wages for consistently employed full-time workers



Rolling 3-month Y/Y change in median full-time wages for the last four months by census division

