News Release

THE FEDERAL RESERVE BANK of KANSAS CITY
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The KC Fed LMCI suggest the level of activity was little changed and momentum remained high in January.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity was little changed and momentum remained high in January. The level of activity indicator was little changed at 0.25, while the momentum indicator increased modestly from 1.25 in December to 1.38 in January, its highest level since the series began.

The table on the following page shows the five labor market variables that made the largest contributions to the change in the activity indicator over the last six months and the five variables that made the largest positive contributions to the momentum indicator in January 2017. The activity indicator increased 0.15 over the last six months. The largest contribution came from an increase in the percent of firms planning to increase employment (NFIB). Eighteen variables made a positive contribution, and six variables made a negative contribution. The momentum indicator was 1.38 in January, where the largest contributor to momentum was expected job availability (University of Michigan). Seventeen variables made a positive contribution, and seven variables made a negative contribution.

LMCI, January 1992–January 2017

LMCI, January 2008–January 2017
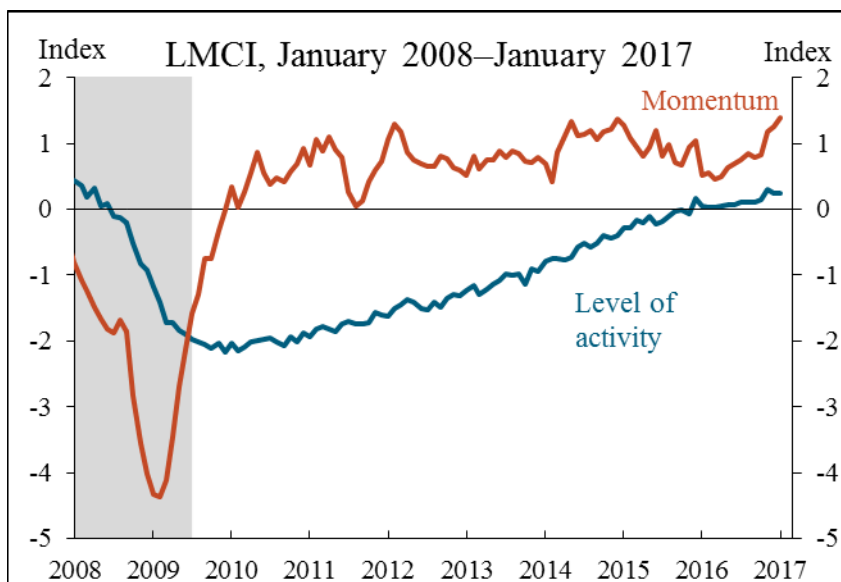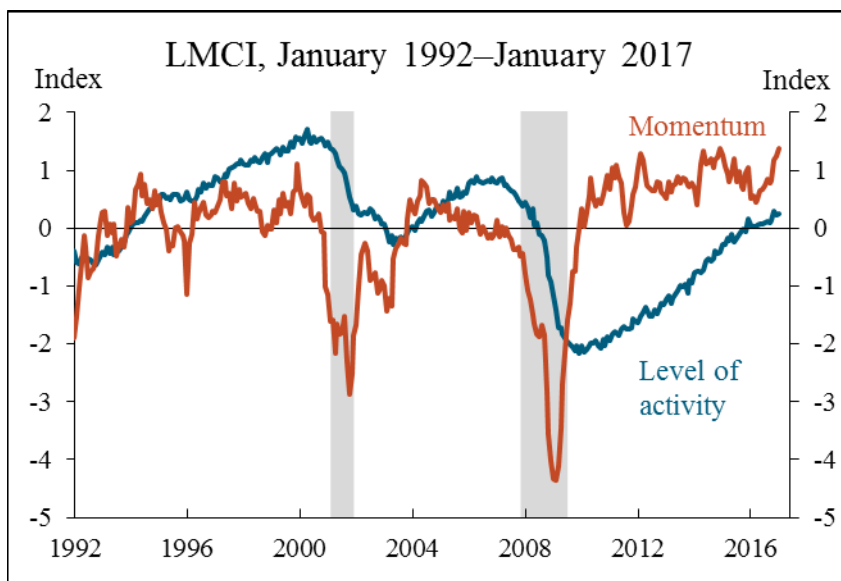
Largest Contributions to the LMCI	
Contributions to the increase in the *level of activity* indicator over the last six months	**Positive contributions to the *momentum* indicator in January 2017**
Percent of firms planning to increase employment (NFIB)	Expected job availability (U of Michigan)
Percent of firms with positions not able to fill right now (NFIB)	Initial claims
Job flows from U to E	Manufacturing employment index (ISM)
Expected job availability (Conference Board)	Labor force participation rate
Job leavers	Expected job availability (Conference Board)
Note: Contributions are ordered from largest to smallest.	