News Release

THE FEDERAL RESERVE BANK of KANSAS CITY
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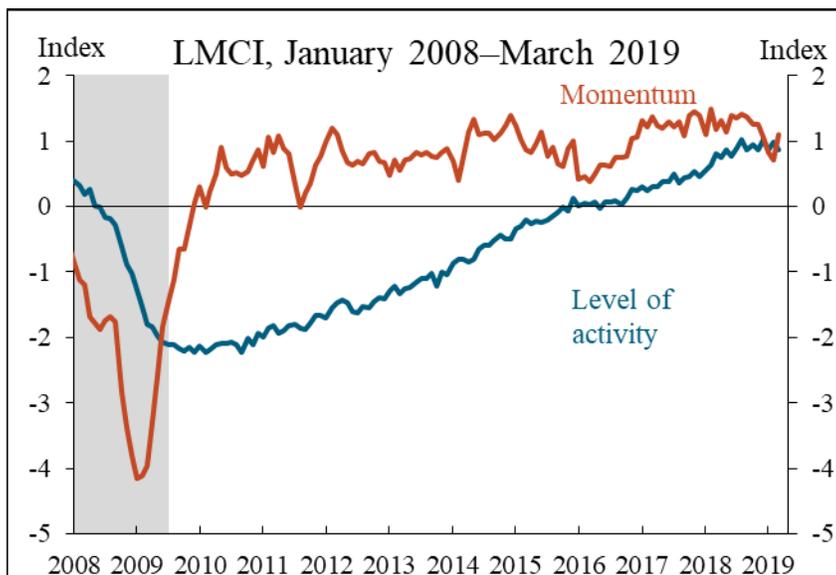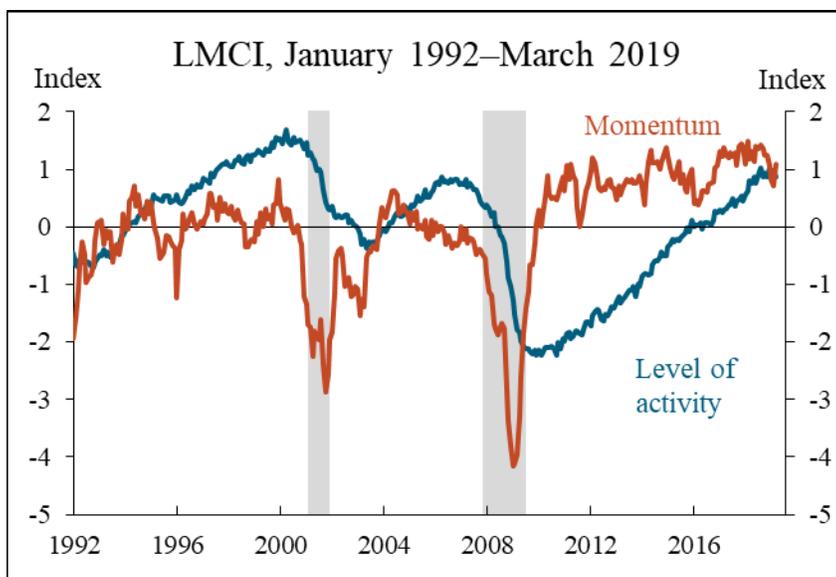
The KC Fed LMCI suggest the level of activity declined and momentum remained high in March.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined and momentum remained high in March. The level of activity indicator decreased in February from 0.98 to 0.86, while the momentum indicator accelerated from 0.71 to 1.09.

The table on the following page shows the five labor market variables that made the largest contributions to the increase in the activity indicator over the last six months and the five variables that made the largest positive contributions to the momentum indicator in March 2019. The activity indicator increased 0.002 over the last six months. The largest contributor to the increase in the level of activity was job flows from unemployment to employment. Fifteen variables made a positive contribution, one variable made no contribution, and eight variables made a negative contribution. The momentum indicator was 1.09 in March, where the largest contributor to momentum was initial claims. Eighteen variables made a positive contribution, and six variables made a negative contribution.

LMCI, January 1992–March 2019

LMCI, January 2008–March 2019

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 March 2019**
Job flows from U to E	Initial claims
Unemployed 27 or more weeks	Manufacturing employment index (ISM)
Temporary help employment	Expected job availability (U of Michigan)
Job losers	Labor force participation rate
Percent of firms with positions not able to fill right now (NFIB)	Percent of firms with positions not able to fill right now (NFIB)
Note: Contributions are ordered from largest to smallest.	