

News Release

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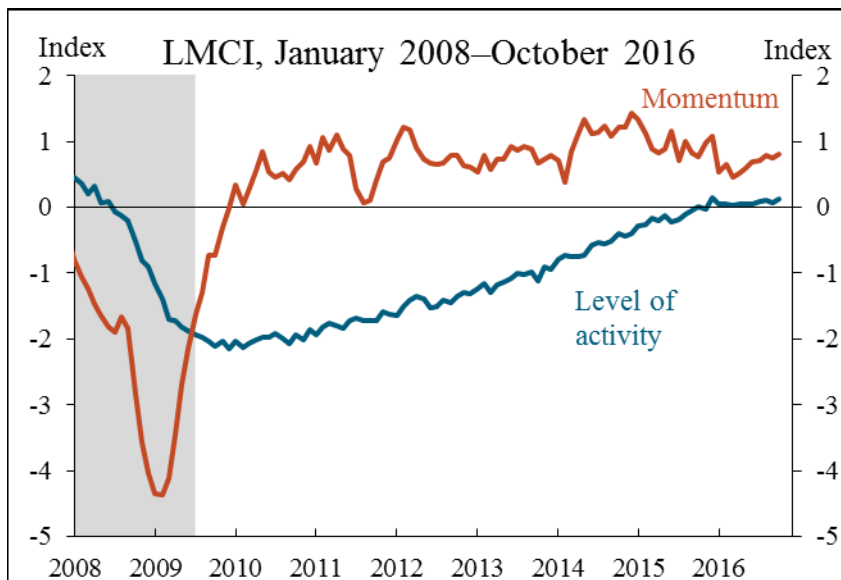
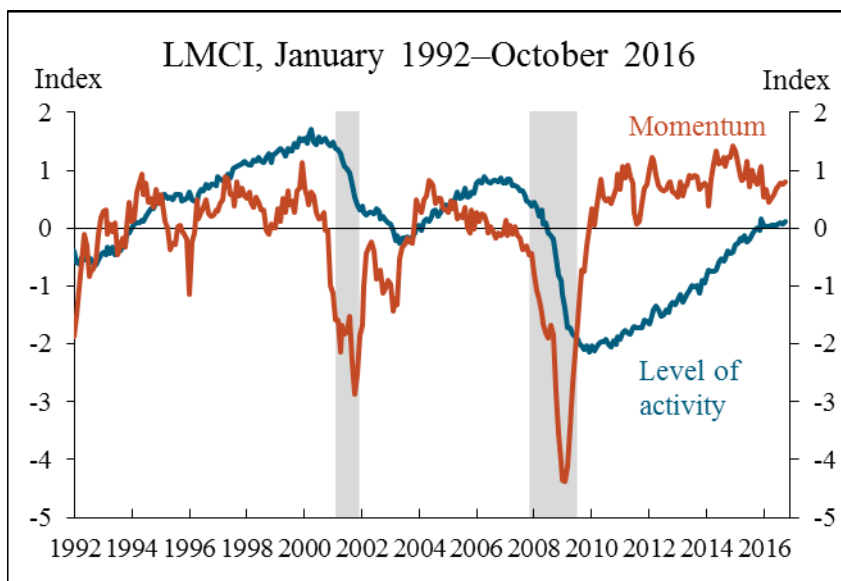
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The KC Fed LMCI suggest the level of activity increased modestly and momentum remained high in October.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased modestly and momentum remained high in October. The level of activity indicator increased modestly from 0.08 to 0.12 in October, while the momentum indicator was little changed at 0.81.

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 October 2016. The activity indicator increased 0.084 over the last six months. The largest contribution came from an increase in job flows from unemployment to employment. Thirteen variables made a positive contribution, three variables made no contribution, and eight variables made a negative contribution. The momentum indicator was 0.81 in October, where the largest contributor to momentum was initial claims. Fifteen variables made a positive contribution, and nine variables made a negative contribution.



Largest Contributions to the LMCI

Contributions to the increase in the <i>level of activity</i> indicator over the last six months	Positive contributions to the <i>momentum</i> indicator in October 2016
Job flows from U to E	Initial claims
Job leavers	Labor force participation rate
Quits rate	Announced job cuts (Challenger-Gray-Christmas)
Job losers	Expected job availability (U of Michigan)
Broad unemployment rate (U6)	Manufacturing employment index (ISM)

Note: Contributions are ordered from largest to smallest.

