

News Release

THE FEDERAL RESERVE BANK of KANSAS CITY
DENVER • OKLAHOMA CITY • OMAHA

One Memorial Drive • Kansas City, MO 64198 • Phone: 816.881.2683

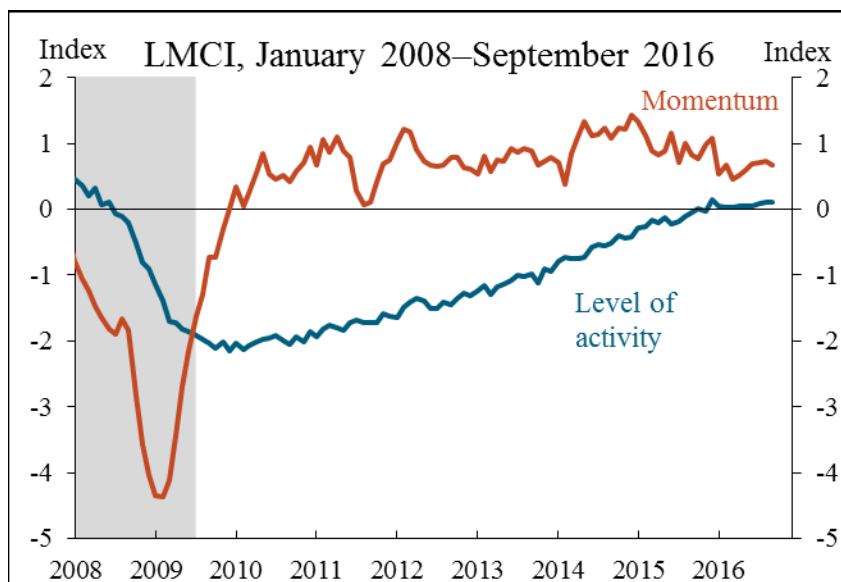
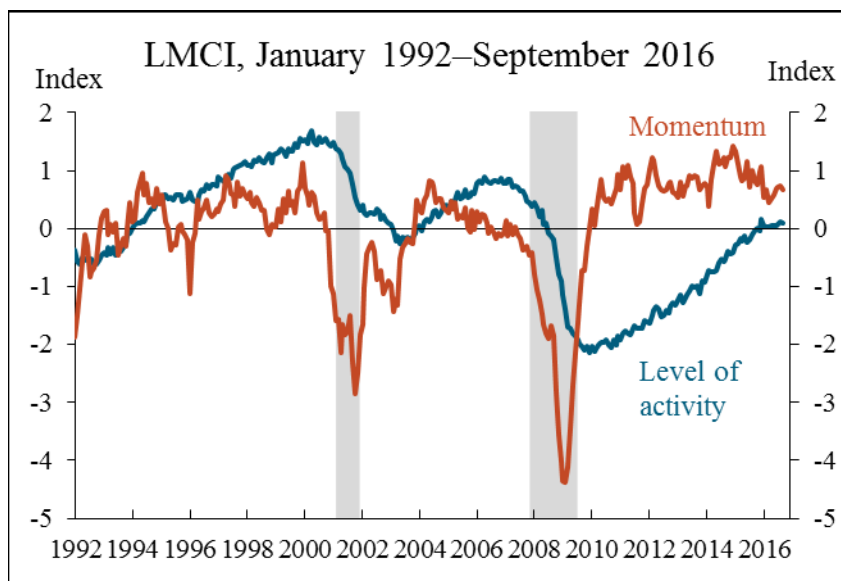
FOR IMMEDIATE RELEASE
October 13, 2016

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

The KC Fed LMCI suggest the level of activity was little changed and momentum remained high in September.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity was little changed and momentum remained high in September. The level of activity indicator was little changed at 0.10 in September, while the momentum indicator decreased from 0.73 to 0.68.

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 September 2016. The activity indicator increased 0.057 over the last six months. The largest contribution came from an increase in job leavers as a percent of total employed. Ten variables made a positive contribution, three variables made no contribution, and eleven variables made a negative contribution. The momentum indicator was 0.75 in September, 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 September 2016
Job leavers	Initial claims
Unemployed 27 or more weeks	Labor force participation rate
Job flows from U to E	Expected job availability (U of Michigan)
Average hourly earnings	Announced job cuts (Challenger-Gray-Christmas)
Job availability index (Conference Board)	Civilian employment-population ratio

Note: Contributions are ordered from largest to smallest.

