

News Release

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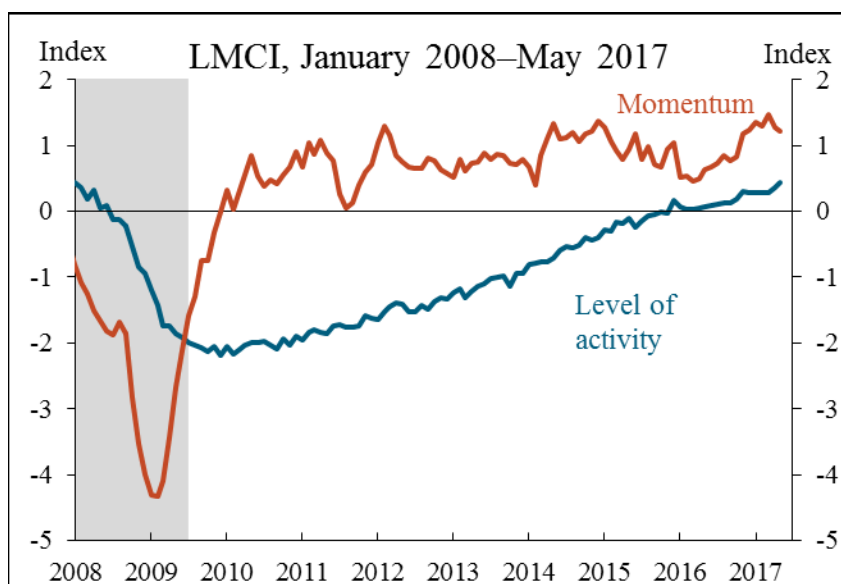
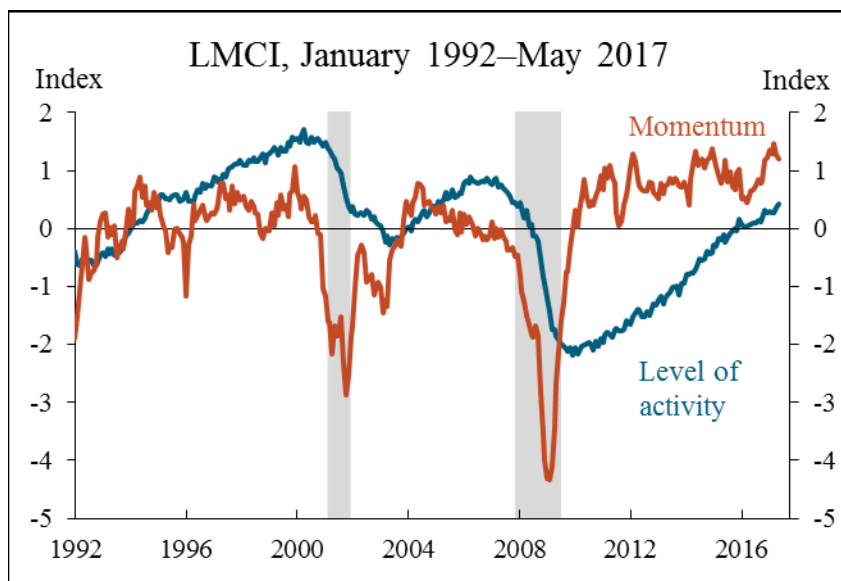
FOR IMMEDIATE RELEASE
June 7, 2017

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

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased modestly and momentum remained high in May. The level of activity indicator increased in May from 0.36 to 0.43, while the momentum indicator was little changed at 1.21.

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 May 2017. The activity indicator increased 0.12 over the last six months. The largest contribution came from an increase in the percent of firms planning to increase employment (NFIB). Seventeen variables made a positive contribution, and seven variables made a negative contribution. The momentum indicator was 1.2 in May, 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 indicator</i> over the last six months	Positive contributions to the <i>momentum indicator</i> in May 2017
Percent of firms planning to increase employment (NFIB)	Initial claims
Percent of firms with positions not able to fill right now (NFIB)	Expected job availability (U of Michigan)
Broad unemployment rate (U6)	Labor force participation rate
Average hourly earnings	Expected job availability (Conference Board)
Working part time for economic reasons	Announced job cuts (Challenger-Gray-Christmas)
<i>Note: Contributions are ordered from largest to smallest.</i>	

