

# News Release

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

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

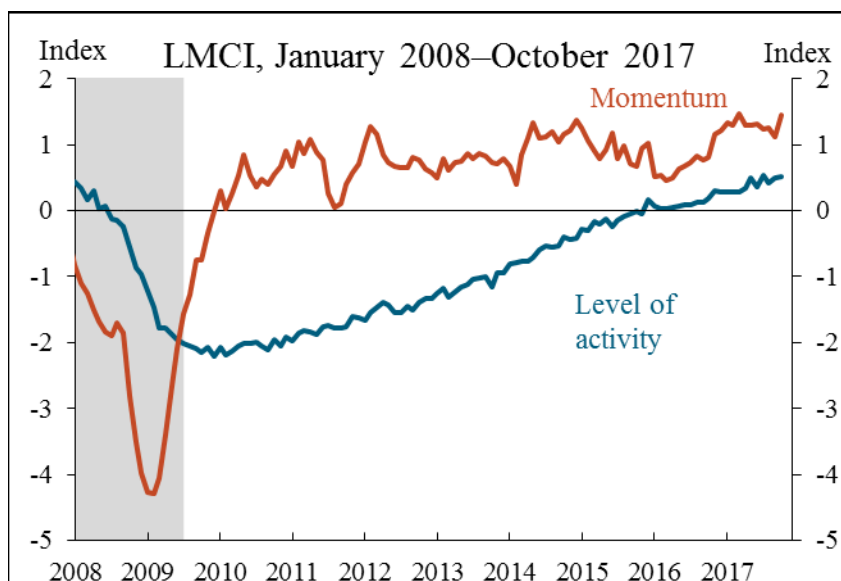
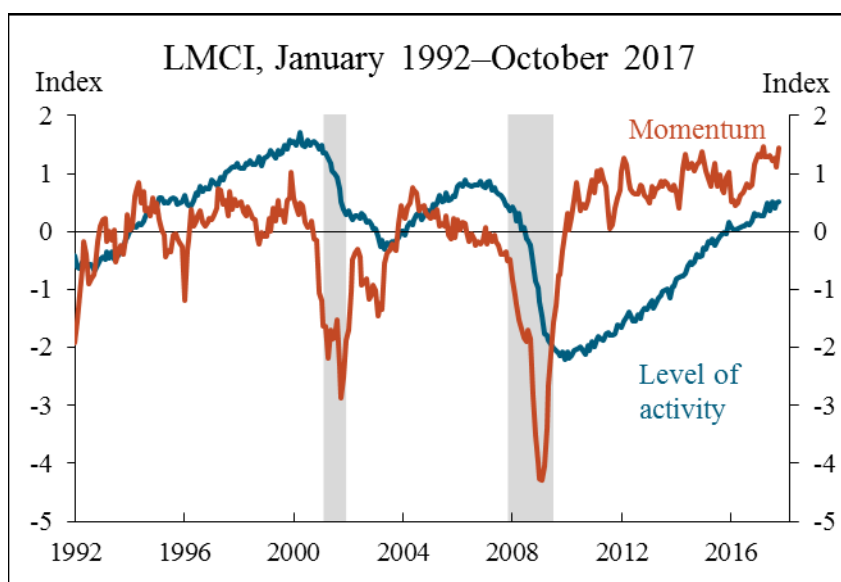
FOR IMMEDIATE RELEASE  
November 8, 2017

Contact: Bill Medley  
816-881-2556  
[Bill.Medley@kc.frb.org](mailto:Bill.Medley@kc.frb.org)

## 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 in October from 0.49 to 0.52, while the momentum indicator accelerated from 1.12 to 1.45.

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 October 2017. The activity indicator increased 0.18 over the last six months. The largest contribution came from an increase in the hires rate. Fourteen variables made a positive contribution, two variables made no contribution, and eight variables made a negative contribution. The momentum indicator was 1.45 in October, where the largest contributor to momentum was the manufacturing employment index (ISM). Nineteen variables made a positive contribution, and five variables made a negative contribution.



## Largest Contributions to the LMCI

| <b>Contributions to the increase in the <i>level of activity</i> indicator over the last six months</b> | <b>Positive contributions to the <i>momentum</i> indicator in October 2017</b> |
|---|--|
| Hires rate  | Manufacturing employment index (ISM)   |
| Job flows from U to E   | Initial claims   |
| Job availability index (Conference Board)   | Expected job availability (U of Michigan)                                      |
| Quits rate  | Labor force participation rate   |
| Working part time for economic reasons  | Job availability index (Conference Board)                                      |

*Note: Contributions are ordered from largest to smallest.*

