

News Release

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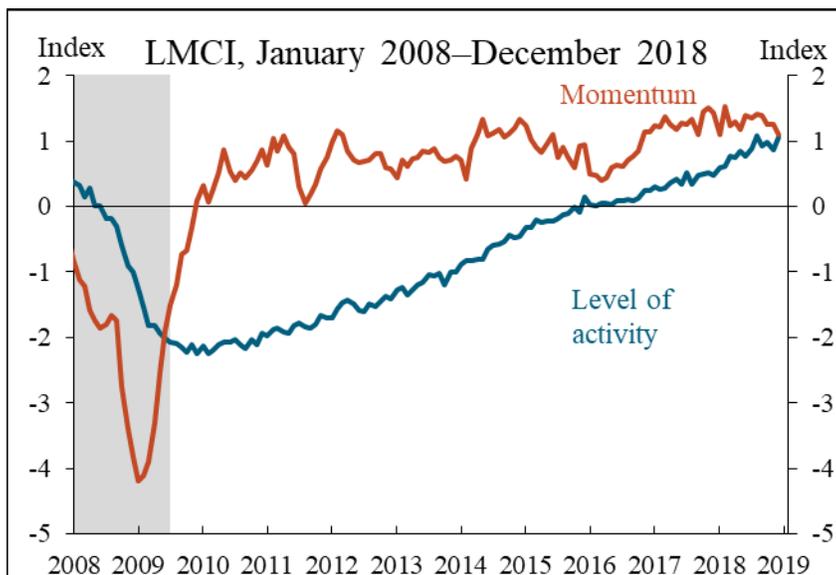
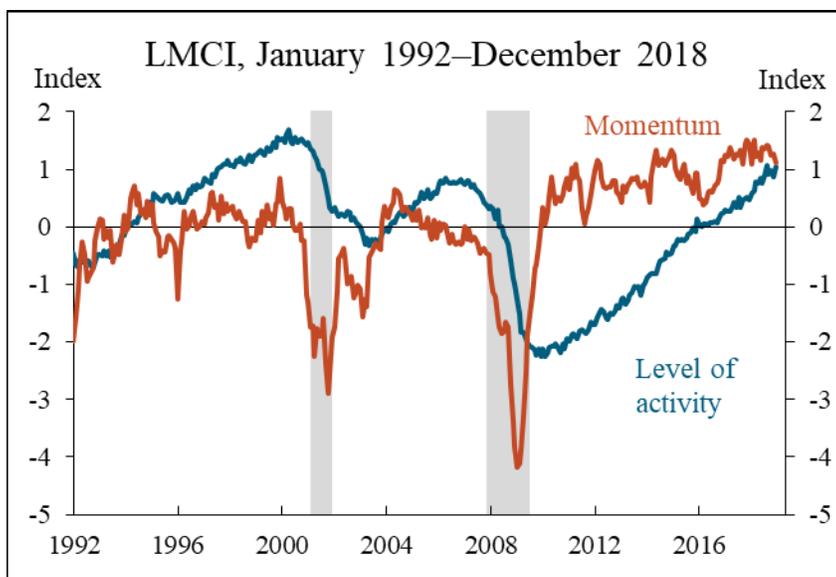
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The KC Fed LMCI suggest the level of activity increased and momentum remained high in December.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased and momentum remained high in December. The level of activity indicator increased in December from 0.86 to 1.05, while the momentum indicator decelerated moderately from 1.26 to 1.11.

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 December 2018. The activity indicator increased 0.29 over the last six months. The largest contributor to the level of activity was average hourly earnings. Twenty variables made a positive contribution, and four variables made a negative contribution. The momentum indicator was 1.11 in December, where the largest contributor to momentum was initial claims. Seventeen variables made a positive contribution, and seven 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 December 2018
Average hourly earnings	Initial claims
Job flows from U to E	Labor force participation rate
Job leavers	Manufacturing employment index (ISM)
Percent of firms planning to increase employment (NFIB)	Percent of firms with positions not able to fill right now (NFIB)
Job availability index (Conference Board)	Percent of firms planning to increase employment (NFIB)

Note: Contributions are ordered from largest to smallest.

