

# News Release

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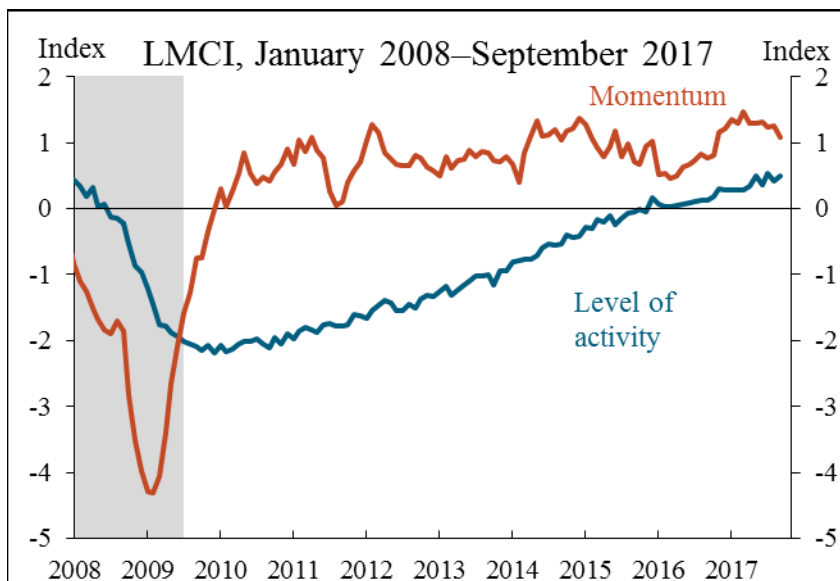
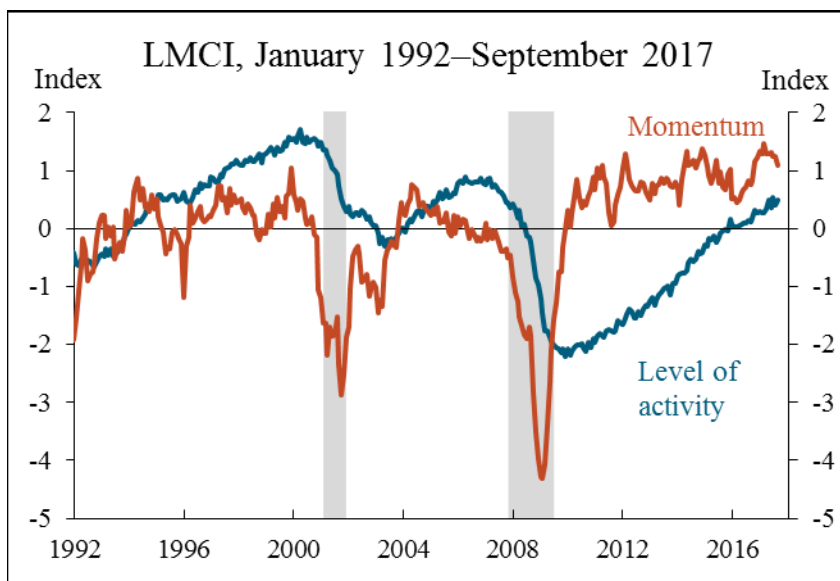
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## The KC Fed LMCI suggest the level of activity increased modestly and momentum remained high in September.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased modestly and momentum remained high in September. The level of activity indicator increased modestly in September from 0.41 to 0.50, while the momentum indicator decelerated moderately from 1.25 to 1.08.

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 2017. The activity indicator increased 0.22 over the last six months. The largest contribution came from an increase in average hourly earnings. Fifteen variables made a positive contribution, two variables made no contribution, and seven variables made a negative contribution. The momentum indicator was 1.08 in September, where the largest contributor to momentum was an increase in the manufacturing employment index (ISM). Fifteen variables made a positive contribution, and nine 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 September 2017</b>
Average hourly earnings	Manufacturing employment index (ISM)
Job flows from U to E	Expected job availability (U of Michigan)
Percent of firms planning to increase employment (NFIB)	Initial claims
Working part time for economic reasons	Job availability index (Conference Board)
Hires rate	Labor force participation rate

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

