

News Release

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

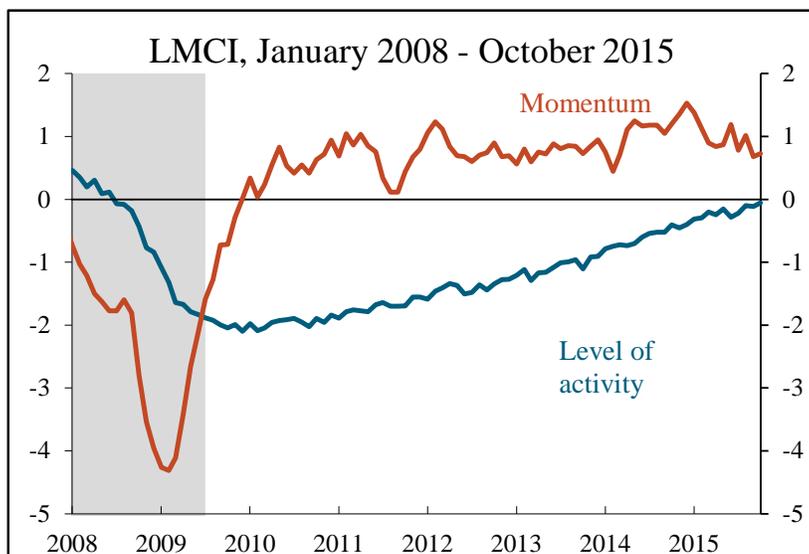
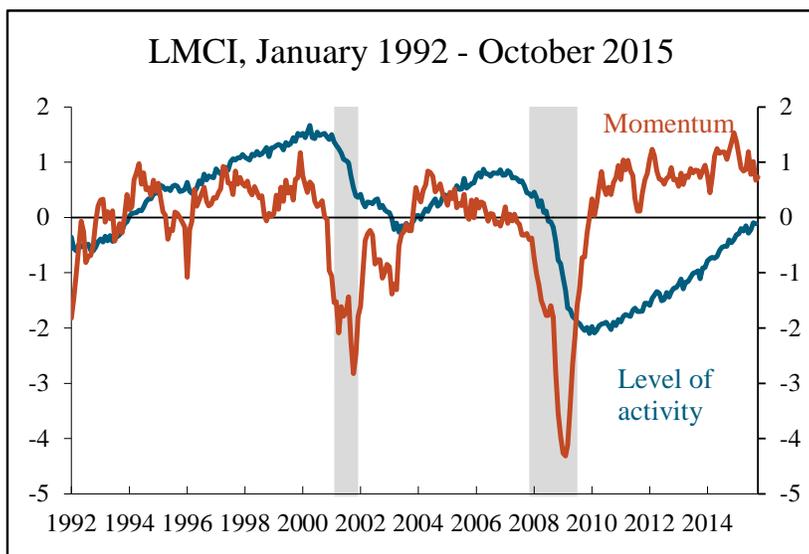
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Contact: Bill Medley
816-881-2556
Bill.Medley@kc.frb.org

The KC Fed LMCI suggest labor market conditions continue to improve.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest labor market conditions continue to improve. The level of activity indicator increased from -0.112 in September to -0.056 in October. The momentum indicator increased from 0.68 in September to 0.73 in October.

The table on the following page shows the five labor market variables that made the largest contributions to the improvement in the activity indicator over the last six months, and the five variables that made the largest contributions to the momentum indicator in October 2015. The activity indicator increased 0.19 over the last six months. The largest contribution came from average hourly earnings. Fifteen variables made a positive contribution, and six variables made a negative contribution. The momentum indicator was 0.73 in October, 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 change in the <i>level of activity</i> indicator over the last six months | Contributions to the <i>momentum</i> indicator in October 2015 |
|--|--|
| Average hourly earnings | Initial claims |
| Working part-time for economic reasons | Labor force participation rate |
| Broad unemployment rate (U6) | Expected job availability (U of Michigan) |
| Expected job availability (U of Michigan) | Announced job cuts (Challenger-Gray-Christmas) |
| Unemployment Rate (U3) | Employment-population ratio |
| <i>Note: Contributions are ordered from largest to smallest.</i> | |

