

News Release

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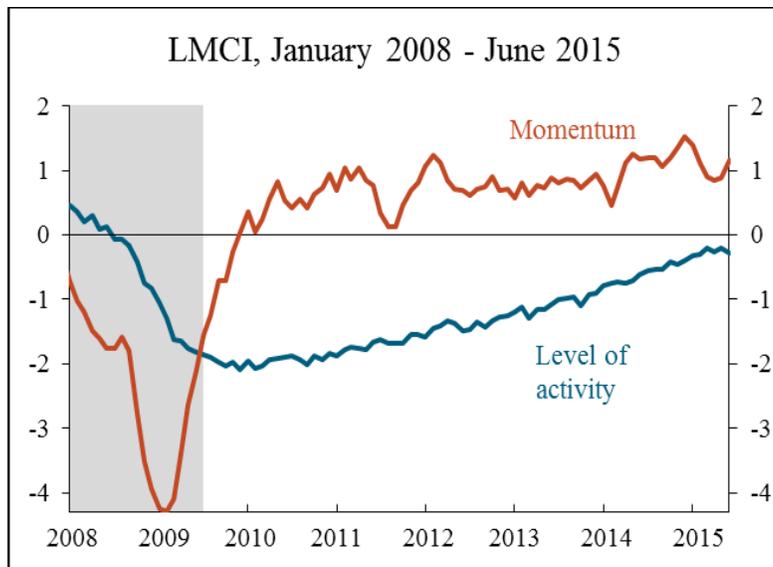
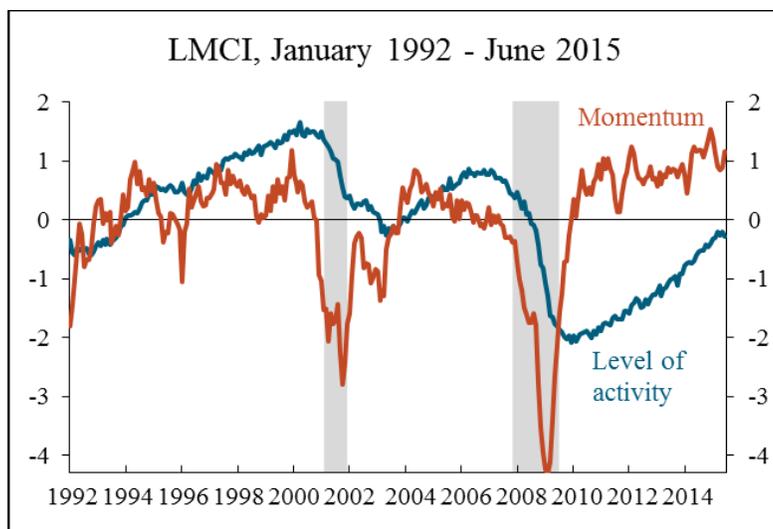
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The KC Fed LMCI level of activity declined modestly while momentum remained high.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) level of activity declined modestly while momentum remained high. The level of activity indicator decreased from -0.196 in May to -0.275 in June. The momentum indicator increased from 0.88 in May to 1.16 in June.

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 June 2015. The activity indicator increased 0.13 over the last six months. The largest contribution came from an increase in average hourly earnings. Seventeen variables made a positive contribution, six variables made a negative contribution, and one variable made no contribution. The momentum indicator was 1.16 in June, where the largest contributor to momentum was expected job availability. Eighteen variables made a positive contribution, and six 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 June 2015
Average hourly earnings	Expected job availability (U of Michigan)
Unemployed for 27 or more weeks	Initial claims
Unemployment forecast (Blue Chip)	Labor force participation rate
Broad unemployment rate (U6)	Manufacturing employment index (ISM)
Job availability index (Conference Board)	Expected job availability (Conference Board)

Note: Contributions are ordered from largest to smallest.

