

News Release

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

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

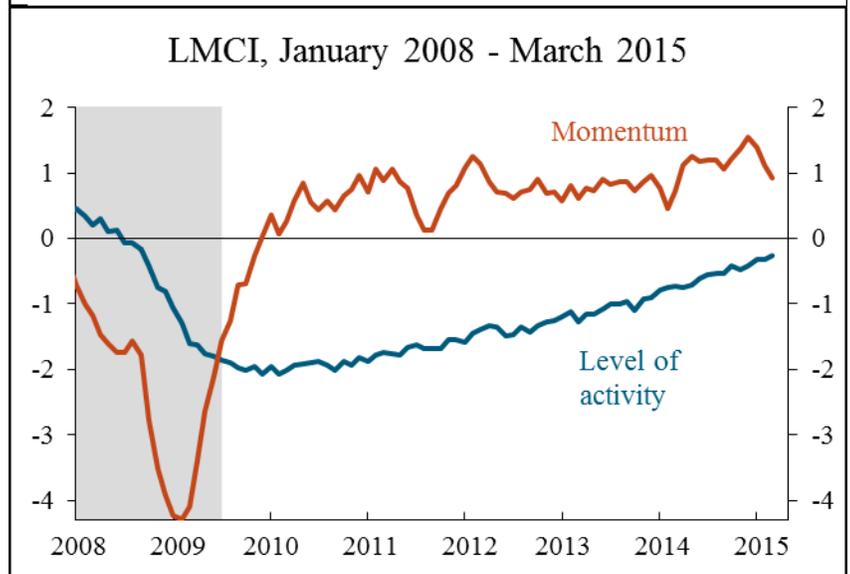
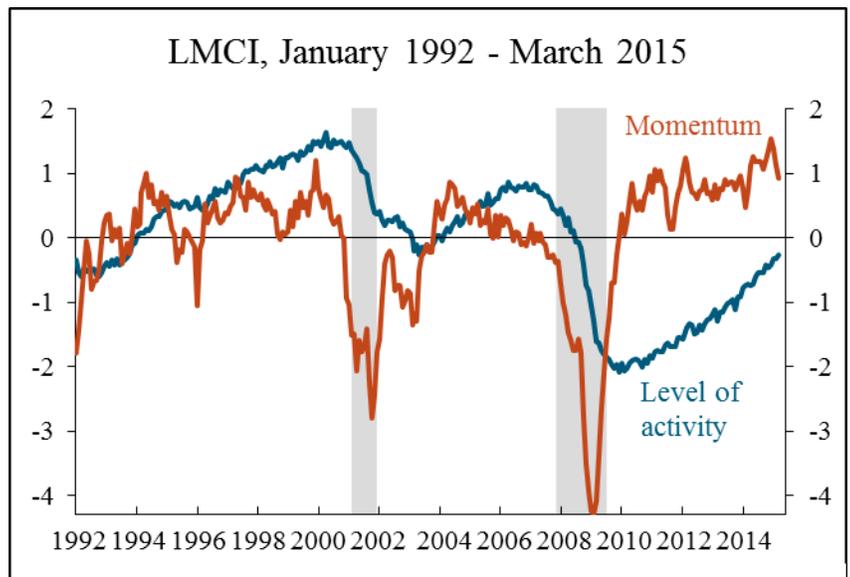
FOR IMMEDIATE RELEASE
April 8, 2015

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 improved from -0.330 in February to -0.262 in March. The momentum indicator declined to 0.92, but remains at a historically high level.

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 March 2015. The activity indicator increased 0.27 over the last six months. The largest contribution came from an increase in the growth of average hourly earnings. Nineteen variables made a positive contribution, four variables made a negative contribution, and one variable made no contribution. The momentum indicator was 0.92 in March, when the largest contributor to momentum was expected job availability from the University of Michigan survey. Sixteen variables made a positive contribution, and eight 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 March 2015
Average hourly earnings	Expected job availability (U of Michigan)
Job leavers	Initial claims
Percent of firms with positions not able to fill right now (NFIB)	Labor force participation rate
Unemployment forecast (Blue Chip)	Announced job cuts (Challenger, Gray & Christmas)
Job availability index (Conference Board)	Expected job availability (Conference Board)

Note: Contributions are ordered from largest to smallest.

