

News Release

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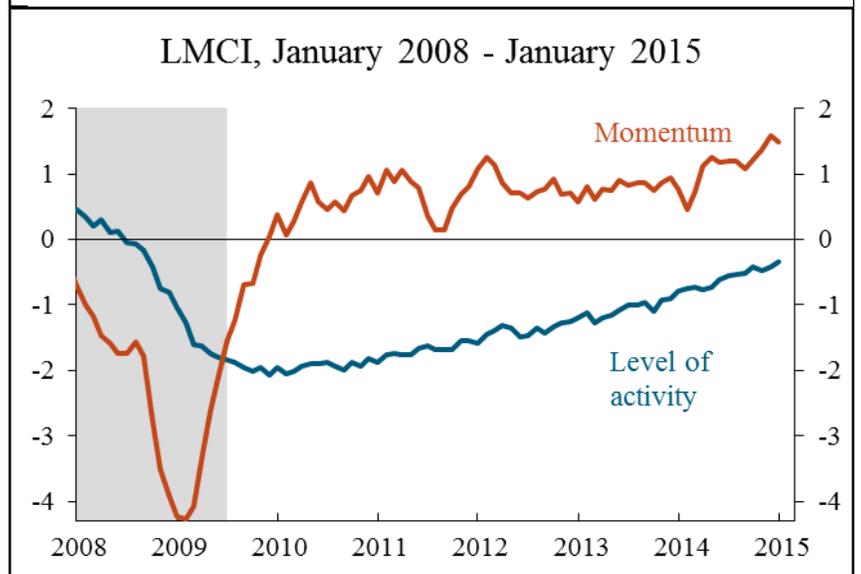
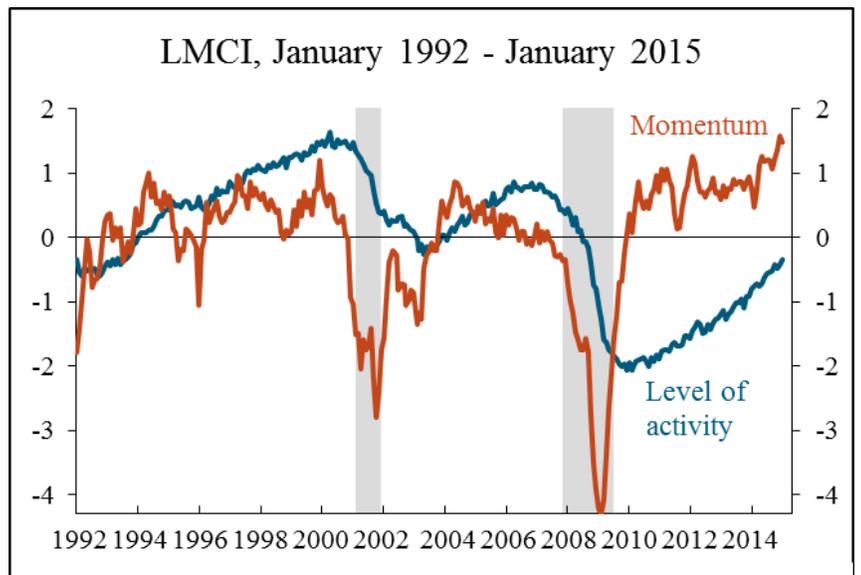
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The KC Fed LMCI suggest labor market conditions continue to improve.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest labor market conditions continue to improve. The level of activity indicator increased from -0.42 in December to -0.33 in January. The momentum indicator declined somewhat to 1.49, but remains at a historically high level.

The table on the following page shows the five labor market variables that contributed most to the improvement in the activity indicator over the last six months and the five variables that contributed most to the momentum indicator in January 2015. The activity indicator increased 0.22 over the last six months. The largest contribution came from a declining percentage of job losers. Eighteen variables made a positive contribution, five variables made a negative contribution, and one variable made no contribution. The momentum indicator was 1.49 in January. The largest contributor was from expected job availability from the University of Michigan survey. Twenty-one variables made a positive contribution, and three 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 January 2015
Job losers	Expected job availability (U of Michigan)
Job availability index (Conference Board)	Initial claims
Working part time for economic reasons	Labor force participation rate
Unemployment forecast (Blue Chip)	Private nonfarm payroll employment
Broad unemployment rate (U6)	Aggregate weekly hours
<i>Note: Contributions are ordered from largest to smallest</i>	

