

# News Release

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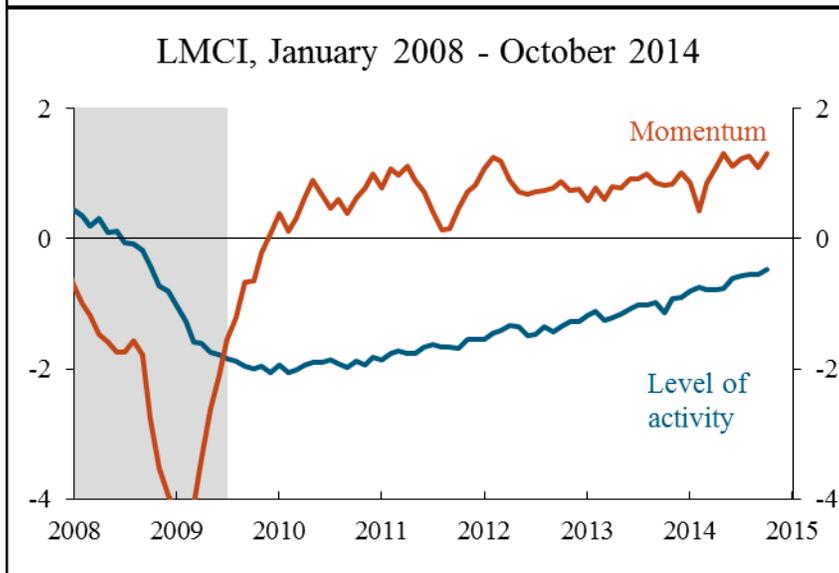
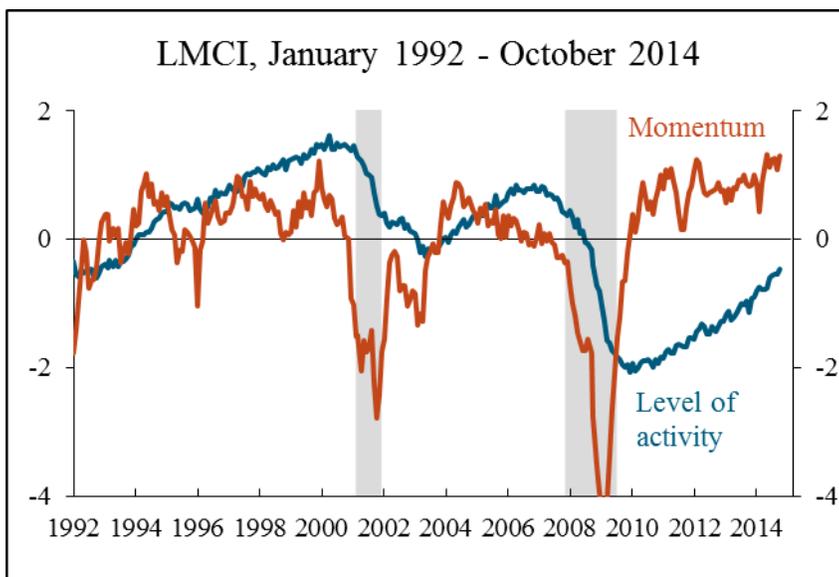
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## The LMCI suggest labor market conditions continue to improve.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest labor market conditions continue to improve. The level of activity indicator increased from -0.55 in September to -0.46 in October. The momentum indicator is at 1.31, its second largest value over the sample.

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 2014. The activity indicator increased 0.33 over the last six months, the eighth largest improvement in its history. The largest contribution came from a decline in the fraction of the unemployed who involuntarily lost their jobs or completed a temporary job (job losers). Eighteen variables made a positive contribution, four variables made a negative contribution, and two variables made no contribution. The momentum indicator was 1.31 in October, where the largest contributor to momentum was expected job availability from the University of Michigan survey. Nineteen variables made a positive contribution, and five variables made a negative contribution.



<b>Largest Contributions to the LMCI</b>	
<b>Contributions to the change in the <i>level of activity</i> indicator over the last six months</b>	<b>Contributions to the <i>momentum</i> indicator in October 2014</b>
Job losers	Expected job availability (U of Michigan)
Quits rate	Initial claims
Job flows from U to E	Labor force participation rate
Unemployed for 27 weeks and over	Manufacturing employment index (ISM)
Unemployment forecast (Blue Chip)	Expected job availability (Conference Board)
<i>Note: Contributions are ordered from largest to smallest</i>	

