

News Release

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

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

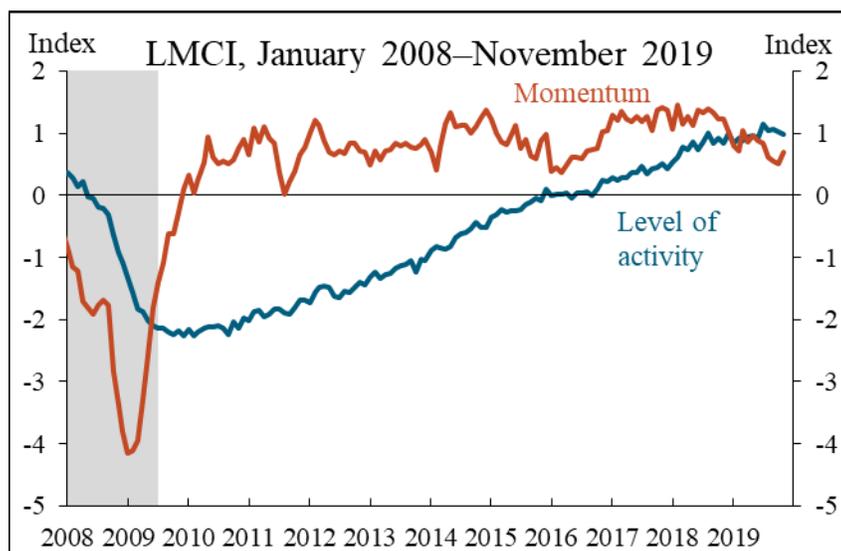
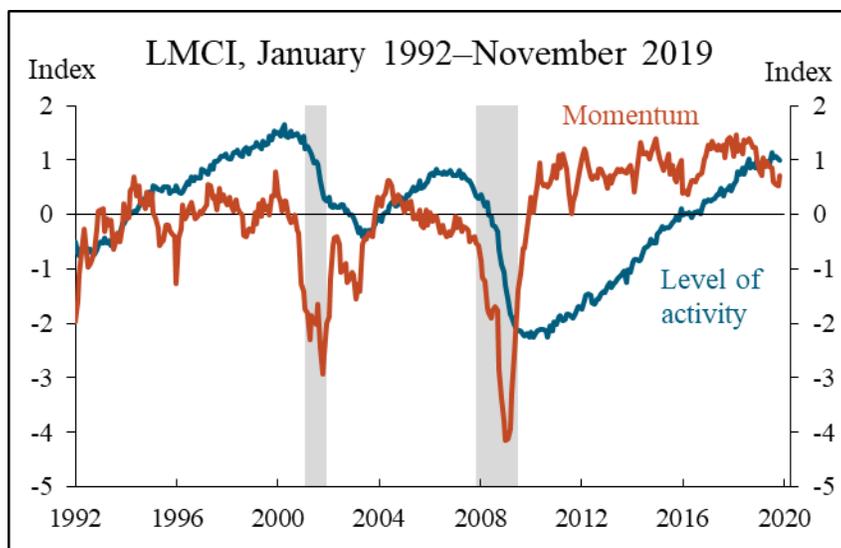
FOR IMMEDIATE RELEASE
December 18, 2019

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

The KC Fed LMCI suggest the level of activity declined modestly and momentum accelerated moderately in November.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined modestly and momentum accelerated moderately in November. The level of activity indicator decreased in November from 1.02 to 0.99, while the momentum indicator accelerated moderately from 0.52 to 0.71.

The table on the following page shows the five labor market variables that made the largest contributions to the increase in the activity indicator over the last six months and the five variables that made the largest positive contributions to the momentum indicator in November 2019. The activity indicator increased 0.02 over the last six months. The largest contributor to the increase in the level of activity was the manufacturing employment index (ISM). Thirteen variables made a positive contribution, two variables made no contribution, and nine variables made a negative contribution. The momentum indicator was 0.71 in November, where the largest contributor to momentum was initial claims. Fourteen variables made a positive contribution, and 10 variables made a negative contribution.



Largest Contributions to the LMCI

Contributions to the increase in the <i>level of activity</i> indicator over the last six months	Positive contributions to the <i>momentum</i> indicator in November 2019
Manufacturing employment index (ISM)	Initial claims
Average hourly earnings	Expected job availability (U of Michigan)
Employment-population ratio	Labor force participation rate
Unemployed 27 or more weeks	Percent of firms with positions not able to fill right now (NFIB)
Labor force participation rate	Percent of firms planning to increase employment (NFIB)

Note: Contributions are ordered from largest to smallest.

