

News Release

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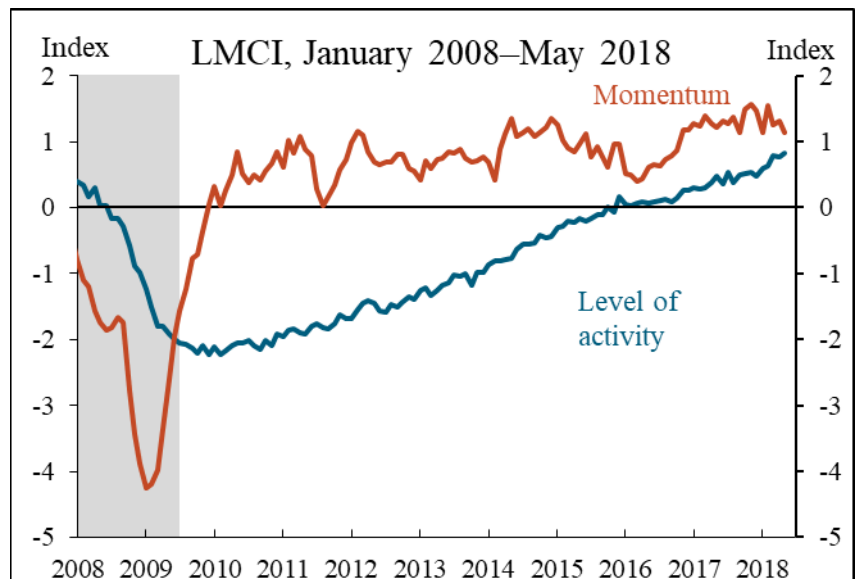
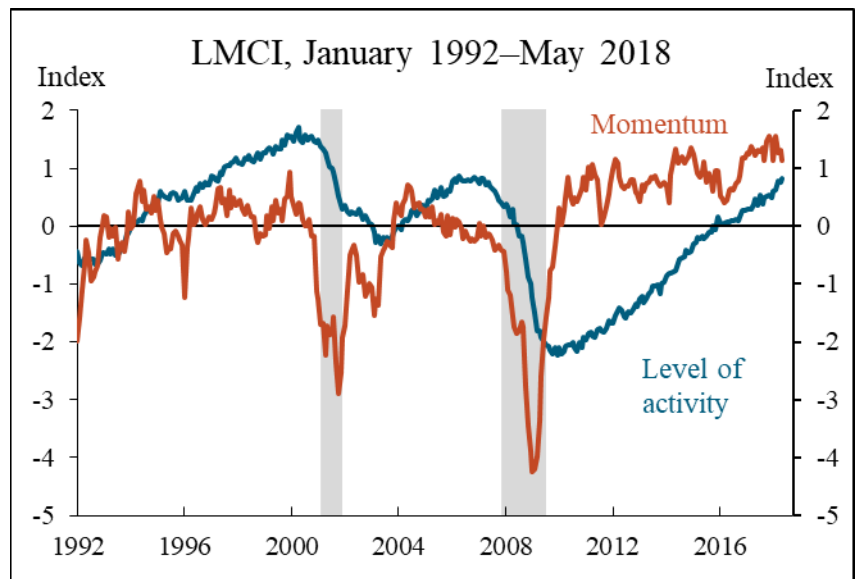
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The KC Fed LMCI suggest the level of activity increased modestly and momentum remained high in May.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased modestly and momentum remained high in May. The level of activity indicator increased modestly in May from 0.76 to 0.83, while the momentum indicator decelerated moderately from 1.32 to 1.14.

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 May 2018. The activity indicator increased 0.30 over the last six months. The largest contribution came from an increase in job leavers. Eighteen variables made a positive contribution, one variable made no contribution, and five variables made a negative contribution. The momentum indicator was 1.14 in May, where the largest contributor to momentum was initial claims. Sixteen variables made a positive contribution, and eight 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 May 2018
Job leavers	Initial claims
Average hourly earnings	Labor force participation rate
Unemployed 27 or more weeks	Manufacturing employment index (ISM)
Percent of firms with positions not able to fill right now (NFIB)	Expected job availability (U of Michigan)
Job availability index (Conference Board)	Expected job availability (Conference Board)

Note: Contributions are ordered from largest to smallest.

