



## The LMCI-Implied Unemployment Rate Suggests Actual Unemployment May Begin to Rise

by: José Mustre-del-Río and Emily Pollard

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Despite some signals of labor market slackening, the unemployment rate (blue line) has shown little upward movement over the past several months. However, the Kansas City Fed's Labor Market Conditions Indicators (LMCI) unemployment rate (green line) suggests some loosening has begun. This alternative measure of the unemployment rate (updated from [Glover, Mustre-del-Río, and Pollard 2021](#)) began rising early in 2022 and now stands at 4.1 percent. Historically, turning points in this alternative measure have preceded turning points in the official measure, suggesting actual unemployment may begin to rise.

See more research from [Charting the Economy](#).

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## Authors



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José Mustre-del-Río is a Research and Policy Officer at the Federal Reserve Bank of Kansas City. He joined the Economic Research Department in August 2011. Prior to joining the department, José received B.S. degrees in economics and applied mathematics from Ohio State University, and M.A. and Ph.D. degrees in economics from the University of Rochester. José's main areas of research are in macroeconomics, labor economics and computational economics.

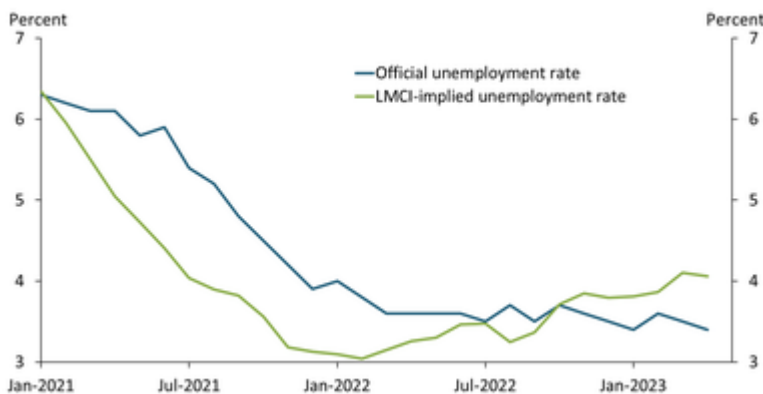


### Emily Pollard

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After I graduated from Carleton College in 2016 with a BA in mathematics and economics, I was excited to join the research team at the Federal Reserve Bank of Kansas City. During my time as an RA, I supported [José Mustre-del-Río](#), [Andy Glover](#), [Brent Bundick](#), and [Lee Smith](#). Currently, my main role is to help support the monetary policy briefing process. I also run the Kansas City Fed's Labor Market Conditions Indicators (LMCI) model and collaborate with economists on Bank publications. I really appreciate the variety of work I've gotten to do at the bank and the flexibility given to RAs to explore their interests.

## Media



Sources: U.S. Bureau of Labor Statistics; Federal Reserve Bank of Kansas City; [Glover, Mustre-del-Río, and Pollard \(2021\)](#); and authors' calculations.