

News Release

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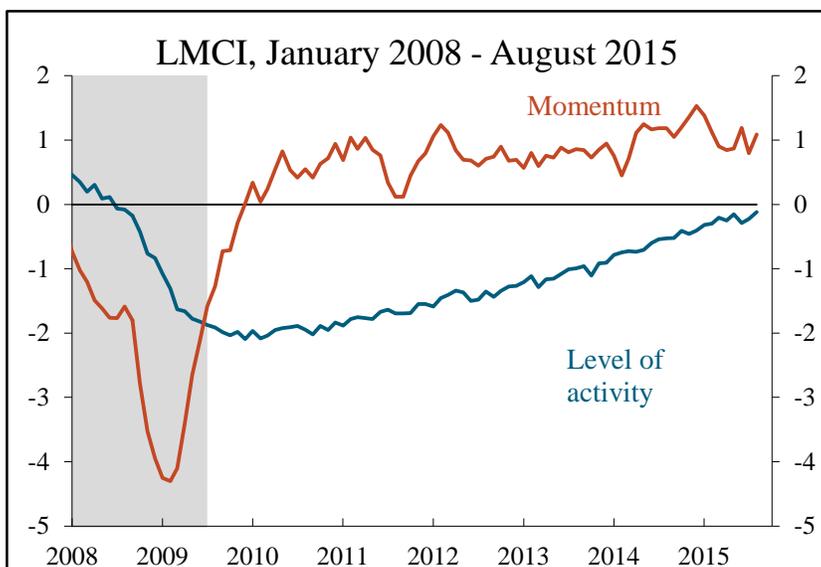
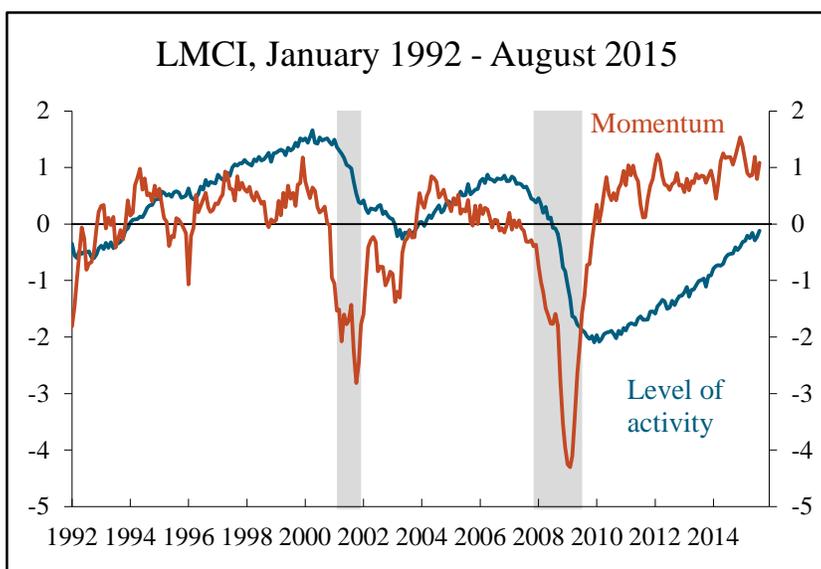
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The KC Fed LMCI suggest labor market conditions continue to improve.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest labor market conditions continue to improve. The level of activity indicator increased from -0.23 in July to -0.12 in August. The momentum indicator increased from 0.8 in July to 1.1 in August.

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 August 2015. The activity indicator increased 0.2 over the last six months. The largest contribution came from an increase in average hourly earnings. Fifteen variables made a positive contribution, eight variables made a negative contribution, and one variable made no contribution. The momentum indicator was 1.1 in August, where the largest contributor to momentum was initial claims. Eighteen variables made a positive contribution, and six 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 August 2015
Average hourly earnings	Initial claims
Job flows from U to E	Labor force participation rate
Unemployed 27 or more weeks	Expected job availability (U of Michigan)
Unemployment rate (U3)	Announced job cuts (Challenger-Gray-Christmas)
Broad unemployment rate (U6)	Aggregate weekly hours

Note: Contributions are ordered from largest to smallest

