

# News Release

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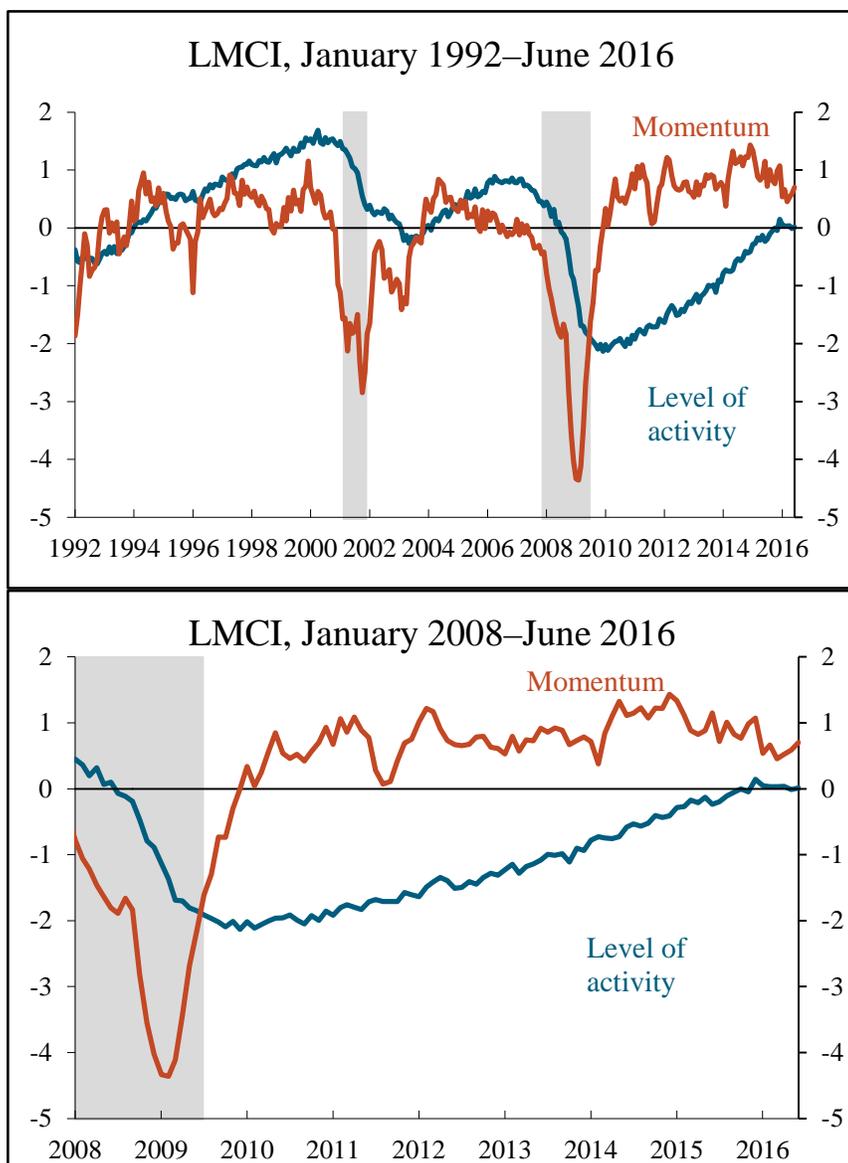
FOR IMMEDIATE RELEASE  
July 13, 2016

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## The KC Fed LMCI level of activity was little changed, while momentum accelerated modestly.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) level of activity was little changed, while momentum accelerated modestly in June. The level of activity indicator increased from  $-0.01$  in May to  $0.015$  in June, while the momentum indicator increased from  $0.59$  to  $0.70$ .

The table on the following page shows the five labor market variables that made the largest contributions to the change in the activity indicator over the last six months and the five variables that made the largest positive contributions to the momentum indicator in June 2016. The activity indicator decreased  $0.13$  over the last six months. The largest contribution came from a decline in the quits rate. Sixteen variables made a positive contribution, and eight variables made a negative contribution. The momentum indicator was  $0.70$  in June, 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 decline in the <i>level of activity</i> indicator over the last six months	Positive contributions to the <i>momentum</i> indicator in June 2016
Quits rate	Initial claims
Hires rate	Labor force participation rate
Percent of firms planning to increase employment (NFIB)	Announced job cuts (Challenger-Gray-Christmas)
Average hourly earnings	Expected job availability (U of Michigan)
Job flows from U to E	Employment-population ratio

*Note: Contributions are ordered from largest to smallest.*

