News Release

THE FEDERAL RESERVE BANK of KANSAS CITY
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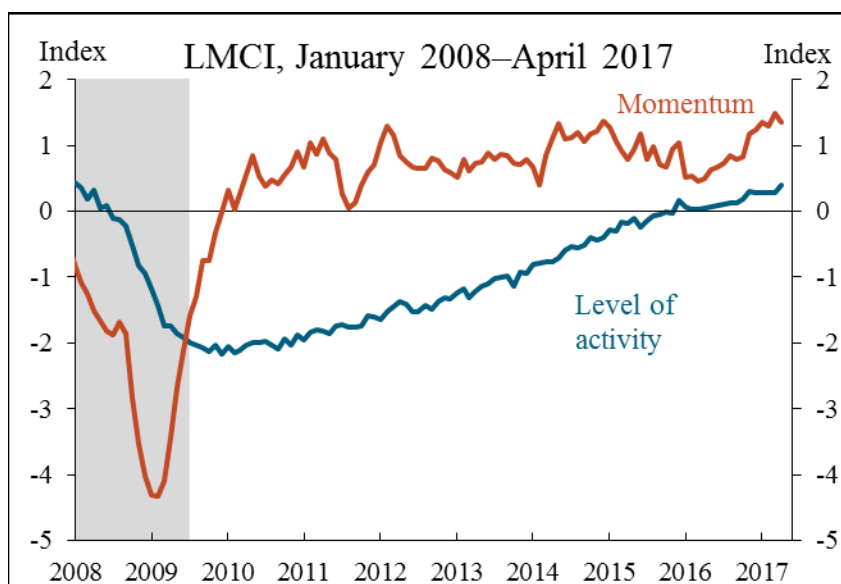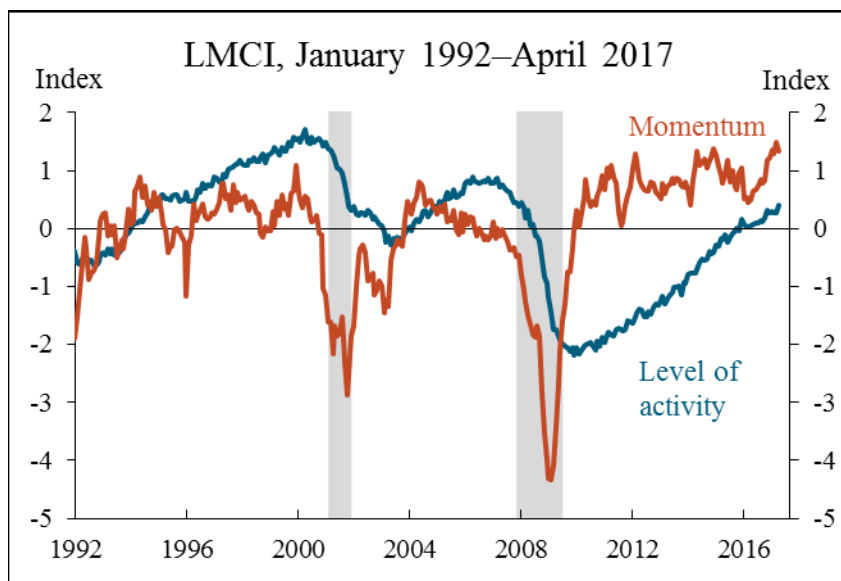
The KC Fed LMCI suggest the level of activity increased and momentum remained high in April.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity increased and momentum remained high in April. The level of activity indicator increased in April from 0.28 to 0.40, while the momentum indicator decelerated moderately from 1.48 to 1.34 but remained at a high level.

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 April 2017. The activity indicator increased 0.21 over the last six months. The largest contribution came from an increase in the percent of firms planning to increase employment (NFIB). Sixteen variables made a positive contribution, and eight variables made a negative contribution. The momentum indicator was 1.34 in March, where the largest contributor to momentum was expected job availability (University of Michigan). Sixteen variables made a positive contribution, and eight variables made a negative contribution.

LMCI, January 1992–April 2017

LMCI, January 2008–April 2017

Largest Contributions to the LMCI	
Contributions to the increase in the *level of activity* indicator over the last six months	**Positive contributions to the *momentum* indicator in April 2017**
Percent of firms planning to increase employment (NFIB)	Expected job availability (U of Michigan)
Percent of firms with positions not able to fill right now (NFIB)	Initial claims
Expected job availability (Conference Board)	Expected job availability (Conference Board)
Broad unemployment rate (U6)	Labor force participation rate
Working part-time for economic reasons	Announced job cuts (Challenger-Gray-Christmas)
Note: Contributions are ordered from largest to smallest.	