

News Release

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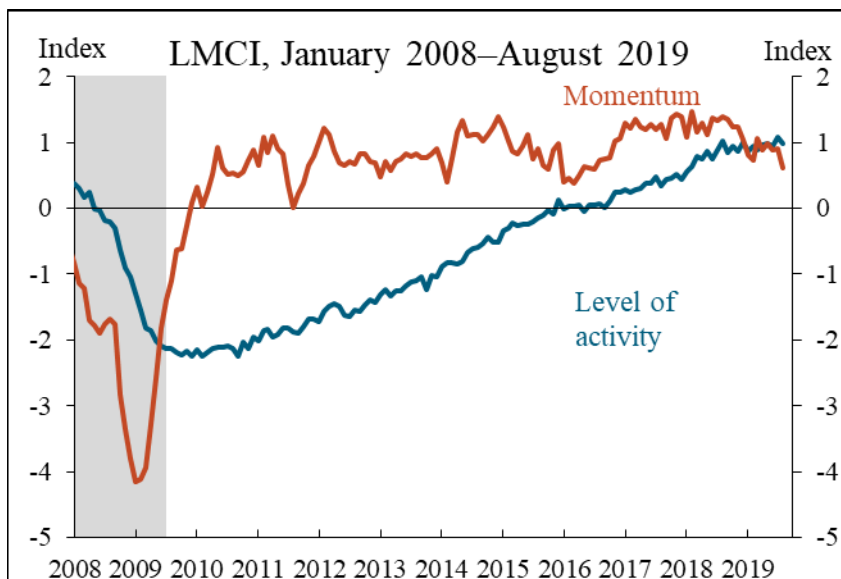
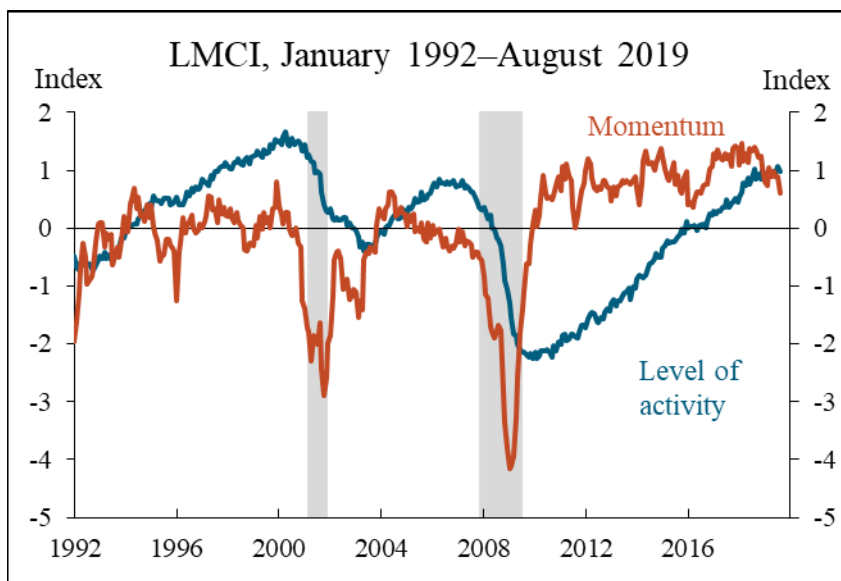
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The KC Fed LMCI suggest the level of activity declined and momentum decelerated in August.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) suggest the level of activity declined and momentum decelerated in August. The level of activity indicator decreased in August from 1.07 to 0.97, while the momentum indicator decelerated from 0.90 to 0.61.

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 August 2019. The activity indicator increased 0.04 over the last six months. The largest contributor to the increase in the level of activity was the percent of firms planning to increase employment (NFIB). Ten variables made a positive contribution, two variables made no contribution, and 12 variables made a negative contribution. The momentum indicator was 0.61 in August, where the largest contributor to momentum was initial claims. Thirteen variables made a positive contribution, and 11 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 August 2019
Percent of firms planning to increase employment (NFIB)	Initial claims
Average hourly earnings	Labor force participation rate
Manufacturing employment index (ISM)	Expected job availability (Conference Board)
Job availability index (Conference Board)	Percent of firms with positions not able to fill right now (NFIB)
Employment-population ratio	Percent of firms planning to increase employment (NFIB)

Note: Contributions are ordered from largest to smallest.

