

News Release

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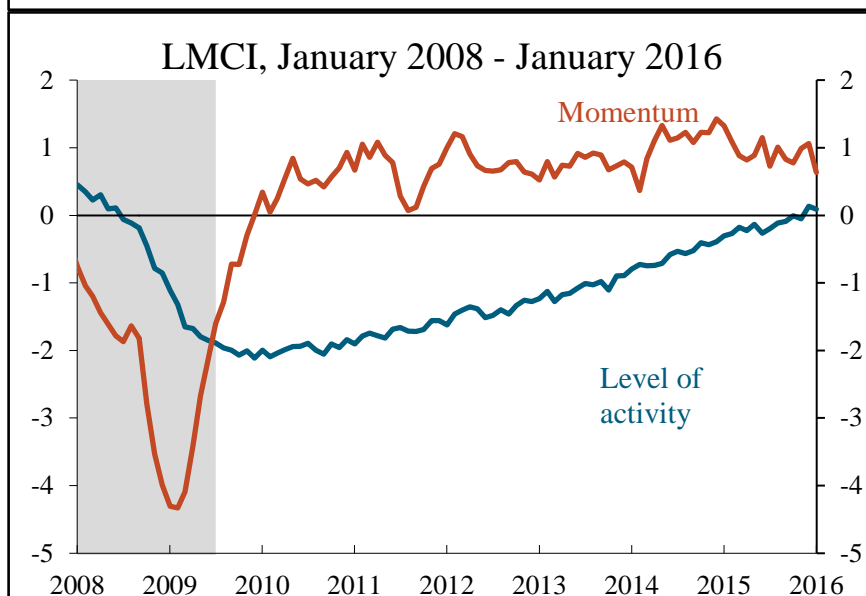
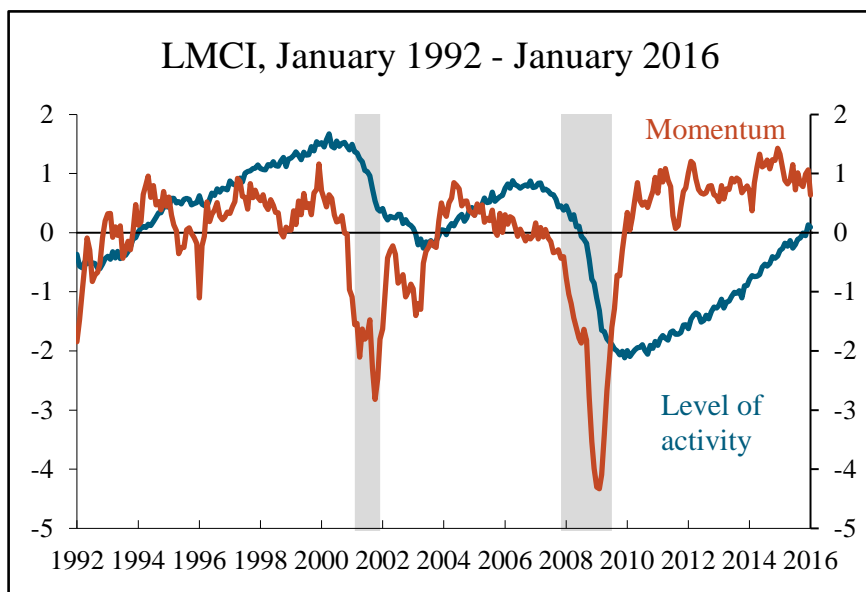
FOR IMMEDIATE RELEASE
February 10, 2016

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The KC Fed LMCI level of activity declined modestly, while momentum moderated from a high level.

The Kansas City Fed Labor Market Conditions Indicators (LMCI) level of activity declined modestly, while momentum moderated from a high level. The level of activity indicator decreased from 0.13 in December to 0.09 in January. The momentum indicator decreased from 1.06 in December to 0.64 in January.

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 January 2016. The activity indicator increased 0.29 over the last six months. The largest contribution came from the quits rate. Seventeen variables made a positive contribution, and seven variables made a negative contribution. The momentum indicator was 0.64 in January, where the largest contributor to momentum was initial claims. Seventeen variables made a positive contribution, and seven 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 January 2016
Quits rate	Initial claims
Job flows from U to E	Labor force participation rate
Percent of firms with positions not able to fill right now (NFIB)	Aggregate weekly hours
Job losers	Private nonfarm payroll employment
Manufacturing employment index (ISM)	Expected job availability (U of Michigan)
<i>Note: Contributions are ordered from largest to smallest.</i>	

