



Mississippi Economic Outlook

July 2012

ECONOMY ENCOUNTERS ANOTHER SLIPPERY PATCH

- The state's economy is struggling to regain its footing after hitting another slippery patch.
- Mississippi was one of only eight states with fewer persons employed this June than in June 2011. The state's index of coincident indicators, which is based on employment-related data, declined each month in the second quarter, indicating a recession according to the Federal Reserve of Philadelphia.¹
- Personal income fell in the first quarter (Q1), due largely to drops in farm income and transfer payments. Just as telling, wages and salaries rose only 0.4%, ranking Mississippi 8th lowest among the states and D.C.; the national rate of wage increase was 0.8%.
- On the other hand, state General Fund revenues for FY2012 were up 6.0% over FY2011, and 5.6% or \$250 million above estimate. State income tax collections were up 7.7%.
- Other areas showing improvement versus year-ago figures are building permits, retail sales and gaming revenues. Manufacturing employment was on the upswing until May; positive growth is expected for the year as a whole with several major new facilities going on-line in recent months.
- New investments totaling \$1.1 billion have been announced since the start of the year. The largest on-going projects include Huntington Ingalls' \$2.4 billion contract with the Navy and Chevron's \$1.4 billion expansion of its Pascagoula facilities.

- The growth rates of output and employment in Mississippi are expected to be lower than the U.S. rates in 2012. A decline in real gross domestic product (GDP) in the state is estimated for Q2, with the annual growth rate forecast to average only 0.5%. The growth rate of real output is expected to gradually accelerate in the coming years, reaching a peak of 2.8% in 2015. Employment and personal income will also experience gradual upturns.

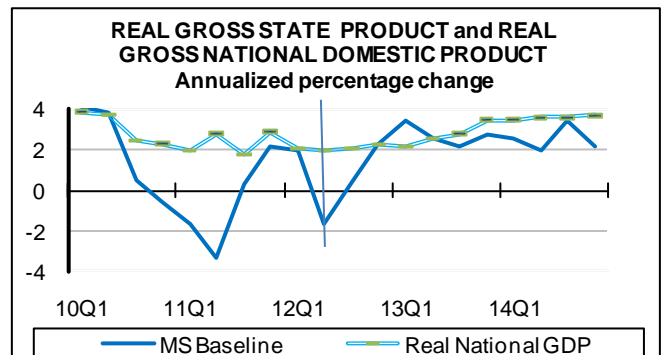
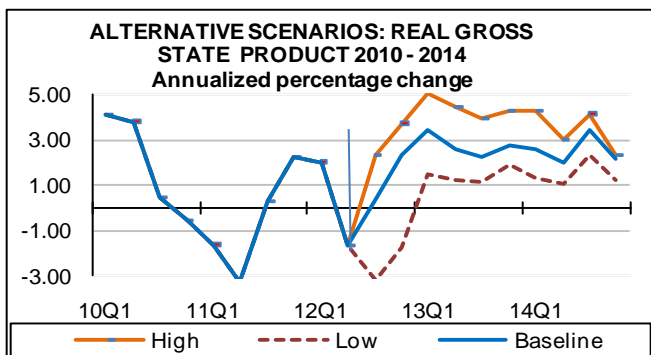
- The risk of recession has increased since April, rising from 20% then to 25% in July. The major risk comes from unsettled

European markets, which are already slowing the U.S. recovery. The U.S. debt crisis is not over, either, and may well wreak further havoc, particularly at the regional level.

State Economic Outlook

Recovery from a recession brought on by a near-collapse of the global financial system can be expected to be rocky and uneven. Still, Mississippi is having a harder time of it than most states at the moment, following on the heels of a difficult 2011. Last year most counties in the state were declared federal disaster areas, bringing growth to a halt. At the same time, the state lost \$726 million in federal stimulus funds, resulting in the loss of an estimated 5,183 jobs.²

This year, the numbers have been mixed. Payroll employment year-to-date through May was down 0.1%. The state's index of coincident indicators, which is based on employment-related data, has been declining for three months.



Contact:
 Marianne T. Hill, 601.432.6376, Mhill@mississippi.edu
 Available at the following website: www.mississippi.edu/URC
 Go to "Publications"
 Vol. 1, No. 3 - ISSN 2164-9723
 A publication of the University Research Center,
 Mississippi Institutions of Higher Learning

On the other hand, state General Fund revenues for FY2012 were up 6.0% over FY2011, or \$250 million above estimate. Personal income tax collections were 7.7% above year-ago numbers, while sales tax collections were 3.6% higher. And there have been positive developments in the housing market, with permits and sales rising.

The net result has been slow growth at best. Only modest growth is forecast for the year as a whole, with a decline in output estimated for Q2. However, groundwork is being laid for a stronger upturn in 2013. A gradual acceleration of growth will lead to a peak growth rate of 2.8% in 2015.

Several major investment projects are boosting economic activity in the state. Huntington Ingalls has been awarded a \$2.4 billion contract with the Navy. A \$1.4 billion expansion at Chevron, a \$570 million port upgrade at Gulfport, a \$600 million expansion by Mississippi Power and a \$1 billion natural gas pipeline (Spectra Energy and CenterPoint Energy) are underway.³

In addition, HCL Cleantech has announced plans to build its headquarters and four plants in the state, for a total investment of \$1 billion. The plants will convert pine chips into cellulosic sugars for use in fuel and other products. Two \$500 million projects have also been announced: one by Stion (thin film solar panels) and the other by KiOR (crude oil from biomass). A total investment of \$1.1 billion has been announced year-to-date in 2012.

Recently completed projects include a \$1.3 billion Toyota auto plant which began production in 2011, a \$500 million plant built by Schultz Extruded (metallurgical pipes) and a \$550 Severstal expansion at Columbus (steel).

There were 1,100 fewer persons on payrolls in the state in the first five months of 2012 than in the same period in 2011, for a drop of 0.1%. Mississippi was one of only seven states with fewer persons employed this May than in May 2011. Unlike

2011, when private sector jobs increased despite an overall decline in employment, so far this year private sector jobs are down, while public sector jobs have increased.

The industry that has lost the greatest number of jobs is construction (down by 2,200 jobs), but wholesale trade, accommodations, and professional/scientific/technical services also lost 1,500 jobs or more each.

Employment gains were greatest in health care and social assistance (4,000 jobs), local government (2,400 jobs), transportation & utilities (1,600 jobs) and durable goods manufacturing (1,200 jobs). An accompanying chart shows the percentage growth of employment in each industry, year-to-date, as of May.

Most counties in Mississippi had unemployment rates above 9.7% in May. See map. The unemployment rate for the state was 8.9%, compared to a national unemployment rate of 7.9%. (These rates are not seasonally adjusted.) Rankin had the lowest unemployment rate at 5.7% and Clay the highest at 16.1%. At the same time, most counties (69 of 82) reported more persons employed this May than a year ago, as the map shows. Several counties with high unemployment rates enjoyed strong job gains, including Clay.

Overall, the number of Mississippi residents employed rose 1.7%, based on household survey information. Payroll employment data, which is reported by establishments, showed a drop of 0.4% during the same period. The resident survey data covers the self-employed as well as Mississippians employed out-of-state, unlike establishment data. The divergence in trends between the two sources increases when the economy is in flux, as is currently the case. Payroll data is relied on when analyzing trends within industries.

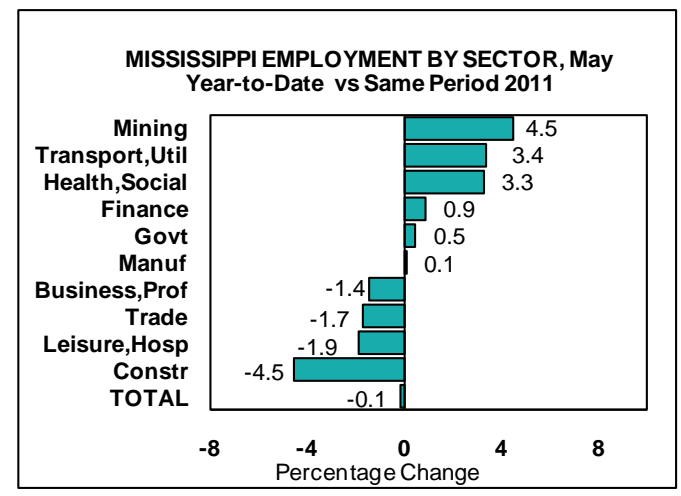
The slow growth of payroll employment in Mississippi is largely explained by the industry mix here and, related to that, the lower average levels of skill in the state. Mississippi has

MAJOR NEW & ON-GOING PROJECTS

Huntington Ingalls	\$2.4 billion
Chevron	\$1.4 billion
HCL Cleantech	\$1.0 billion
Calisolar	\$600 million
Mississippi Power Co. ¹	\$600 million
Port at Gulfport	\$570 million
KiOR	\$500 million
Stion	\$500 million

SOURCE: Mississippi Authority Development, July 2012.

¹Also, Mississippi Power's \$2.8 billion Kemper County coal plant is going forward despite legal challenges.



relatively fewer persons employed in professional and business services (8% of total employment here versus 13% of the U.S. total) and in health care (11% MS, 13% U.S.). The state also employs more in government (23% MS, 17% U.S.) and manufacturing (12% MS, 9% U.S.). Overall, Mississippi has relatively more persons employed in sectors with slower growth rates.

Within sectors, there are also differences in the composition of employment which may reduce the rate of job growth at times. For example, the percentage of manufacturing employees in furniture and in wood products in Mississippi is more than twice the percentage for the U.S. These industries, along with food products, account for 37% of the state's manufacturing employment, versus 18% for the U.S. Within professional & business services, administrative support (which includes temporary employment services) is about twice as important as professional/technical services in Mississippi (57% versus 32%), while each of these account for 44% of the total at the national level. These figures may reflect a lower effective demand for highly skilled workers here.

The most rapid growth of employment nationally in 2011, the first year of employment growth since the 2008-09 recession, was in mining/natural resources (11%), followed by professional & business services (3.6%) and durables manufacturing (3.0%). In Mississippi, mining employment also grew rapidly at 4.6%, but professional & business services and durables manufacturing did not fare as well. Durables employment fell here and a drop of 1% in professional/technical services reduced the growth rate of business & professional services.

Since an increase in production is basic to economic recovery, the drop in professional/technical services employment in Mississippi is of particular concern. Businesses planning for expansion hire workers in professional services, which is then a measure of business optimism. In the state, 67% of those employed in professional/technical services are in computer systems design, architecture/engineering, management consulting, accounting, and research. This year, employment in this industry was almost 5% below year-ago figures, while nationally growth continues at a pace of over 4%.

Mississippi's housing market continues to present a mixed picture. Sales of existing homes were up 13% in Q3 of 2011 compared to the same quarter in 2010. Housing starts and the value of residential building permits issued have each increased in recent months but remained below year-ago levels in the first quarter of 2012.

The state's foreclosure rate remains lower than the national average. In Q1 of 2012, the state ranked 21st in the nation in foreclosures, with a foreclosure rate of 3.5% versus the national average of 4.4%. The downward trend in housing prices may have ended. The median price of existing homes in Q1 of 2012 was up 2.0% from a year ago in Mississippi, compared to no change nationally.

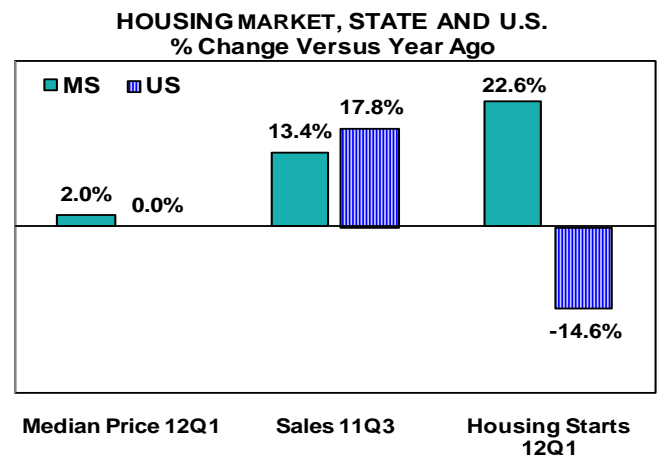
Gaming revenues in the state have been drifting lower since 2008. In 2011, spring flooding closed 17 of 19 Mississippi River casinos for a few weeks and pushed revenues from river casinos down 11% for the year. Overall, total gaming revenues fell 6%. This year through May, revenues are up 5.0%, aided by lower gasoline prices, which have boosted tourism. Gross revenues of about \$2.2 billion are expected in 2012.

The slowdown in the U.S. economy in recent weeks is affecting the state. The recession in Europe and the deceleration of growth in China have worsened market prospects for both manufacturing and nonmanufacturing industries in the U.S., and this has been reflected in a sharp decline in the ISM manufacturing and nonmanufacturing indexes (ISM= Institute for Supply Management).

Employment growth slowed further in May and June, leaving the unemployment rate above 8% and percentage of workers "underutilized" at 15% (this includes discouraged workers who have dropped out of the labor force and those working part-time who are seeking full-time jobs).

These and other recent numbers have caused the Federal Reserve to reduce the growth rate it is forecasting for U.S. production. It is maintaining the federal funds rate below 0.2%, and may opt to purchase more long-term bonds in 2013 in a further effort to keep interest rates low.

Several upcoming policy decisions facing Congress will have a major impact on the economy. Measures due to expire include the Social Security tax cut, extended unemployment benefits, and the Bush tax cuts. Also Congress faces the implementation of deep spending cuts agreed to last summer as part of the debt-ceiling deal, and the debt-ceiling needs to be raised yet again. Political wrangling over these issues may unsettle the markets for a while, but in the end Congress is likely to take the steps needed to prevent sending the economy into recession.



Healthcare reform is also on the horizon, with near-full implementation of the Affordable Care Act scheduled for 2014. Mississippi would receive about \$900 million annually beginning in 2014 if it opts to expand Medicaid coverage as provided for in the Act. However, there is currently strong opposition to this expansion.

The concern is that after 2020 the state would be required to provide 10% of the funding for new enrollees. While the influx of federal funds would generate additional tax revenues, perhaps as much as 4 cents per dollar received, expansion of Medicaid and other healthcare subsidies would bring a change in the composition of state and federal funding. It would likely mean a further shift in funding away from education, pensions, infrastructure and other areas to healthcare. See the national State Budget Task Force Report. At the same time, the growing percentage of Americans without basic healthcare insurance face limited options.

The cost of health care is likely to continue rising more rapidly than incomes and tax revenues. The percentage of employers cutting back on health benefits has been increasing; in Mississippi, it is already the case that most private employers do not offer health coverage to their employees. The pressure to take steps to keep down health care costs will increase as it becomes ever more difficult for the U.S. to meet the nation's health care needs.

The GDP growth rate of U.S. major-currency trading partners is expected to be only 1.2% this year and next. Other major markets (including China, Brazil and India) will also experience some drop in growth rates: the projected rate of GDP growth for these countries is 4.4% this year and 4.6% in 2013.

The weakening of demand associated with this slower growth has resulted in lower oil prices. The second half of 2012 may see an average oil price as low as \$88/barrel. IHS Global Insight forecasts the refiners' acquisition price to be \$89/barrel in 2013,

which corresponds to an average Brent oil price of \$95/barrel. Lower oil prices have been helping to sustain demand for retail goods here. Mississippians spent about 11% of their income for gasoline in April 2011, a time of high oil prices, while in 2010 the annual average was 7%. The price of gasoline, then, has a major impact on consumer spending. And Mississippi has often been ranked the state most affected by high gasoline prices by the Natural Resources Defense Council.⁴

Short-Term Forecast

The state gross domestic product (GDP) grew 2.4% in current dollars in 2011, but after adjustment for inflation, the U.S. Bureau of Economic Analysis estimates a drop in real output of 0.7% last year. The U.S. growth rate of GDP was 1.7%. Payroll employment in the state remained unchanged. So far this year, employment is down slightly and it is likely that real output fell in the spring. An increase in real GDP of only 0.5% is forecast for 2012. Next year remains pivotal -- by the end of 2013, improvements in employment, housing and business investment are expected to provide the momentum for a sustained upturn in the recovery.

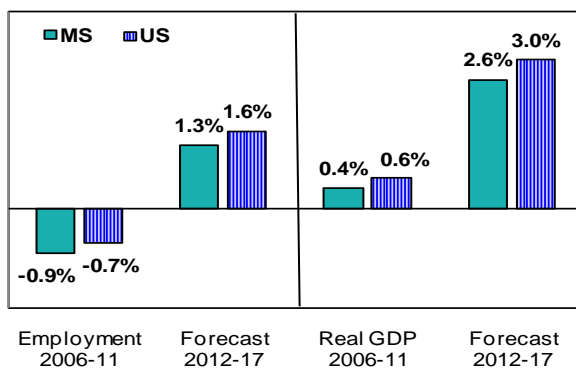
A growth rate of real GDP of 2.2% in 2013 is predicted for Mississippi, rising to 2.6% in 2014 and 2.8% in 2015, and gradually decreasing after that. The U.S. growth rate of real GDP is expected to peak at 3.3% in 2015 before slipping back to 2.9% by 2017.

The growth of employment in the state is expected to be only a modest 0.2% this year, with a 1.1% increase predicted in 2013. Job growth is forecast to peak in 2014, at a growth rate of 1.6%; nationally, the rate in 2014 is forecast to be 1.4%, rising to 1.7% in 2015.

Personal income (in current dollars) rose a higher than expected 3.8% in Mississippi in 2011, but fell 0.4% in Q1 of 2012 due largely to drops in farm income and transfer payments. Wages and salaries rose only 0.4%, ranking Mississippi 8th among the 50 states and D.C. The growth rate of personal income this year will likely be only 2.3%, versus a national rate of increase of 3.2%. This rate is forecast to increase to 3.3% in 2013 and 4.2% in 2014. The growth rate of wages will gradually increase as well, as labor markets tighten, reaching 4.9% in 2016.

Over the past five years, the growth rate of real personal income nationally has been only 0.7% and the growth rate of real wages only -0.3% (after adjustment for inflation) -- an historic low that has been linked to the jobless recovery.⁵ In Mississippi, real personal income rose an average of 1.2% and real wages fell 0.5% over the 2006-2011 period. The last time real wages and real personal income averaged negative growth over a five-year period in the state was in 1983. (Data going back to 1964 for the U.S. do not show any other five-year period with a slower growth of real income, although the five-year average growth of real wages was negative in 1983.)

GROWTH RATES OF EMPLOYMENT AND OUTPUT, MISSISSIPPI AND U.S.
Historical and Forecast



Inflation is expected to remain below 2.5% over the forecast period, whether measured by the consumer price index (national or South) or by the deflators used for gross state product and gross domestic product. The fall in the price of oil since the April forecast has resulted in a drop in the expected rate of increase in the consumer price index. The new forecast predicts an increase of 1.7% this year.

These projections rest on assumptions regarding the national and international economies that are discussed below in the section on alternative projections.

Five-Year Forecast, 2012-2017

Despite some bumps in the road, the recovery from the Great Recession will gradually strengthen. But a long way remains to go: in both Mississippi and the U.S., employment in 2012 will remain lower than in 2007. A positive increase in payroll employment is forecast annually throughout the forecast period for the state and the nation, but unemployment is expected to remain high relative to 2007 as discouraged workers re-enter the labor force. In the U.S. an unemployment rate of 6.2% is predicted for 2017 and in Mississippi a rate of 7.6%.

The growth rates of output and employment in Mississippi will be somewhat slower than in the U.S. over the five-year forecast period taken as a whole. This is linked to the lower growth rate of the population and labor force in the state.

Mississippi will average an annual growth rate of real GDP of 2.6% over the next five years, versus a growth rate of 3.0% in the U.S. Over the same period, the average growth rate of employment in the state will average a strong 1.3%, with the highest rate of increase in 2014 (1.6%). The five-year average is somewhat below the 1.6% increase expected nationally, as indicated in the accompanying graph. In 2017 Mississippi reaches the level of payroll employment previously attained in 2000 and 2007.

The rate of employment growth by sector is shown in the next graph. The 5.2% growth rate of employment forecast for construction is the highest growth rate among the eleven sectors shown. Business, professional and other services, which lost thousands of jobs during the downturn, will enjoy a strong recovery as the economy picks up, averaging a 2.9% annual growth rate of employment. Health and social assistance, which maintained a positive rate of increase throughout the recession,

will average an annual growth rate of about 2.3%. A substantial lift will be provided to the sector when 2014 health care reform measures go into effect.

Transportation and utilities, whose fate is closely linked to overall production, will experience a strong rebound, with an average growth rate of approximately 2.1%. Wholesale and retail trade will average a growth rate of 0.7%, below the state average of 1.3%, due in part to continued consumer caution. The growth rate of manufacturing employment will be 0.7% and of government employment 0.3%. Agriculture, forestry and fisheries employment will recoup some of the ground it has lost, averaging a growth rate of 1.4%.

Manufacturing, wholesale & retail trade, finance, and leisure & hospitality employment will remain below pre-recession levels even in 2017. The percentage of total employment in manufacturing will continue its long-run decline.

Alternative Forecasts

The baseline forecast presented above rests on the IHS national forecast, which is built on assumptions made about developments in the Eurozone, U.S. fiscal policy, and more. There is a 25% probability that the assumptions behind the national forecast will prove to be overly optimistic and a 15% probability that they will prove to be unduly pessimistic, in the assessment of IHS. The two alternative state forecasts in the table are in line with the national alternative scenarios.

In the pessimistic scenario (25% probability), Europe derails the national recovery and the growth rate of national GDP turns negative in the second half of 2012. This impacts the state, which also experiences a brief recession.

Under this scenario, the debt crisis in Eurozone countries worsens, triggering a more severe downturn than under baseline assumptions. This could happen if popular pressures on the new Greek government force an abrupt departure from the Eurozone (a gradual, orderly departure is assumed in the baseline scenario). Other debt-ridden member countries are subjected to more pressure and panicked financiers demand even stiffer austerity measures. Export markets shrink, slowing world growth rates and reducing production and employment in the U.S. Declining profits and weak wage gains in turn reduce final sales and planned business investment is cut.

BASELINE GROWTH RATES AND ALTERNATIVE SCENARIOS FOR GROSS STATE PRODUCT GROWTH

(Quarter-to-quarter percentage change)

	12 QI	12 QII	12 QIII	12 QIV	13 QI	13 QII	13 QIII	13 QIV	14 QI	14 QII	14 QIII	14 QIV
Gross State Product												
Baseline- 60% Probability	0.5	-0.4	0.1	0.6	0.9	0.6	0.6	0.7	0.7	0.5	0.9	0.5
Lower Growth - 25% Probability	0.5	-0.4	-0.8	-0.4	0.4	0.3	0.3	0.5	0.3	0.3	0.6	0.3
Higher Growth - 15% Probability	0.5	-0.4	0.6	0.9	1.3	1.1	1.0	1.1	1.1	0.7	1.0	0.6
Employment	-0.2	0.0	0.4	0.3	0.2	0.2	0.3	0.3	0.5	0.2	0.7	0.4
Personal Income	-0.3	0.9	1.4	1.4	0.6	0.6	0.3	0.3	1.5	1.5	1.6	0.8

SOURCE: University Research Center, July 2012.

Efforts by Congress to stem the recession through tax cuts or greater spending are half-hearted, with politicians preferring budget cuts to rein in the deficit. Once the economy stabilizes again, growth is at a slow pace, as consumers remain spooked by the recurring economic insecurity. The Mississippi growth rate of GDP drops to -0.1% in 2012, 0.0% in 2013 and finally turns positive in 2014 at 1.5%.

In the optimistic scenario (20% probability), the national recovery re-ignites. Decisions made by policymakers in the Eurozone prove to be effective in smoothing the way for stressed member countries to meet their debt obligations in an orderly fashion and Greece remains in the Eurozone. Export markets expand. Investors welcome these developments and stock markets react positively. Business and consumer confidence increase, and the recession in Europe ends sooner than expected.

Hiring improves, both abroad and in the U.S., and consumer demand grows along with the improving payrolls. The housing market picks up steam as incomes rise and pent-up demand for durables lifts sales.

Although there is some increase in inflation, there is also a stronger growth of productivity and interest rates remain low. Under this scenario, the U.S. growth rate hits 2.4% this year, 3.5% in 2013 and 4.1% in 2014. Mississippi's growth rate is pushed up to 1.0% in 2012, 3.7% in 2013 and 3.9% in 2014. As the table shows, the most rapid increase in economic activity in the state is in early 2013.

Written by Marianne Hill with input from members of the University Research Center.

Historical tables with data on Mississippi output, employment and income by sector as well as on other variables are available at www.mississippi.edu/URC. Go to Data Links.

1. The Philadelphia Federal Reserve's analysis of recessions has found that historically three successive declines in a state's coincident index, along with a cumulative decline of 0.5%, indicates a recession at the state level. However, this index is based solely on employment-related data, whereas nationally a broader range of economic measures is used in determining whether there is recession. In Mississippi, data relating to sales, building permits, state revenue collections and more present a mixed picture. Still, a drop in real output in Q2 is estimated by this office and near-zero growth is predicted for Q3.

The Philadelphia Fed's coincident index for the states is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length and wage and salary disbursements. It has been found to correlate with other broader measures of economic activity including real gross state product.

2. See www.recovery.gov. Mississippi entities awarded funds still had over \$600 million available to draw down as of April 1, 2012.

3. The Kemper County coal plant, a \$2.8 billion project of Mississippi Power Company, has been embroiled in litigation and the company has recently denied a rate increase request intended to cover some sunk costs.

4. It should be noted that purchases of gasoline by truckers and others passing through the state are included in state gasoline sales and so affect these percentages.

5. Slow wage growth both in the state and nationally has been linked to the jobless recovery. A jobless recovery may appear to be a contradiction in terms, but in 2010 real output grew 3% and before-tax profits 25%, while the number of jobs fell 1%. It is not a surprise to hear that corporations can accrue sizeable profits while cutting back on employment. While U.S. job growth turned positive in 2011, employment remains below 2007 levels.

The slow growth of jobs and cutbacks in government spending are combining to slow the growth of wages and of transfer payments. Mississippi will be more affected than most, because the share of transfer payments is 26% here versus 18% nationally. In addition, the share of dividends, interest and rent in Mississippi's personal income is 13% versus the national average of 17% -- a factor that slows the relative growth rate here when this income source rises rapidly, as when profits are high.

With a drive to form a union underway at Nissan, questions are being asked about the effect of unions on wages and employment. The fact that Mississippi is a right-to-work state is more likely to affect the level of wages here than the growth rate. There are 23 right-to-work states, including Mississippi. In these states, workers in a firm with a union are not required to join the union or to pay union dues, a fact which impedes union growth.

U.S. Bureau of Labor Statistics data show that workers in unions earned \$209 more per week than workers who were not unionized (see "Union Members - 2011", 1/27/12) and that a higher percentage of unionized workers enjoyed pensions and health insurance benefits (BLS, Employee Benefits Survey, Tables 2 & 9, 3/11 and National Compensation Survey, 3/11). The state with the highest percentage of workers in unions is New York (24%) and the state with the lowest percentage, North Carolina (3%). Five percent of those employed in Mississippi are union members. After adjustment for factors such as educational attainment, wages in states with right-to-work laws are 3.2% lower than in other states, according to the Economic Policy Institute, 2/17/11.

Whether or not higher wages and benefits result in lower employment is a question that should take into account two basic factors: overall, higher wages increase demand and so increase jobs, but in individual firms, higher wages and benefits could mean less hiring and/or longer hours for those employed.

Related to this, collective bargaining arrangements, whether through unions or through works councils as found in some European countries, increase the bargaining power of employees vis-à-vis employers and, along with higher wages, can at times be seen as a negative factor by corporations deciding where to locate.

SOURCES AND FURTHER READING

Agricultural Economic and Policy Perspectives, Mississippi State University, Department of Agricultural Economics. At <http://msucares.com/newsletters>

Federal Deposit Insurance Corporation. Mississippi State Profile. www.fdic.gov/bank/analytical/stateprofile

Federal Reserve Board of Atlanta, Regional Economic Information Network, and State of the States, EconSouth. www.frbatlanta.org

IHS Global Insight, Inc. National and regional forecasts and reports. See www.ihsglobalinsight.com

Kaiser Foundation. "Measures of State Economic Distress: Housing Foreclosures and Changes in Unemployment and Food Stamp Participation by State". www.statehealthfacts.org.

Kennesaw State University Econometric Center, "Purchasing Managers Index Report – Mississippi". <http://econometric-center.org>

Mississippi Business, published by the Mississippi Institutions of Higher Learning, available at www.mississippi.edu/URC – go to Publications. Mississippi Economic Policy Center www.mepconline.org

Mississippi Economic Council, Blueprint Mississippi. <http://www.msmecc.com/images/stories/blueprint/XXXXXX.BPMS.FIN.ALFORPDFONSITE.1.4.12.pdf>

Mississippi Department of Employment Security. www.mdes.ms. Mississippi Department of Insurance, http://www.mid.state.ms.us/pages/health_care_reform.aspx

Mississippi Development Authority. New and expanded facilities report at: <http://crossmatch.mississippi.org/NEFReport/>

Mississippi State University, Economy Watch. <http://www.economywatch.msstate.edu>

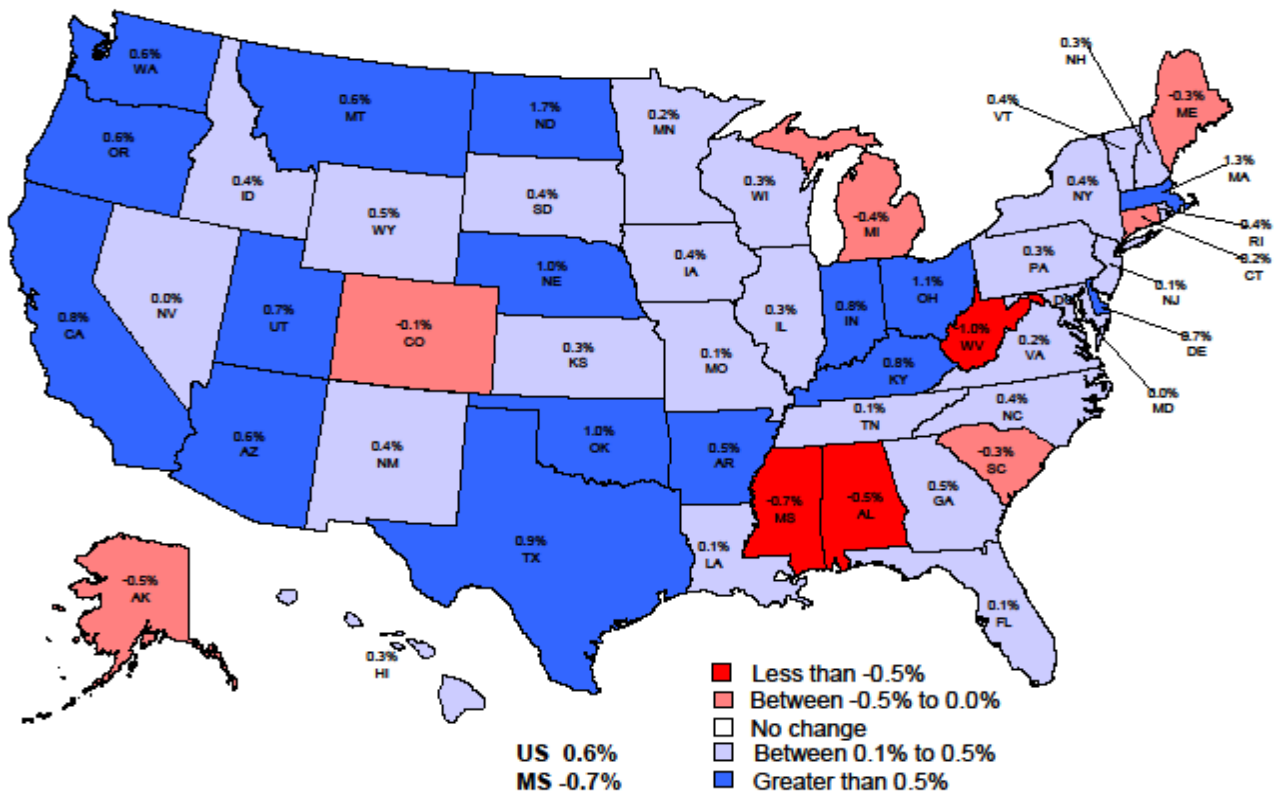
New York Times, "Gloomy Forecast for States, Even if Economy Rebounds" by Mary Walsh and Michael Cooper, 7/17/12.

State Budget Task Force Report at <http://www.statebudgettaskforce.info/wpcms/>

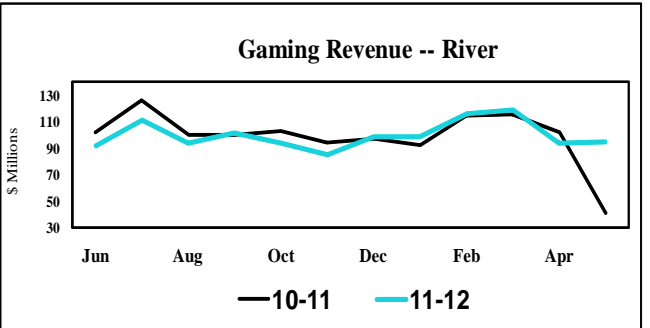
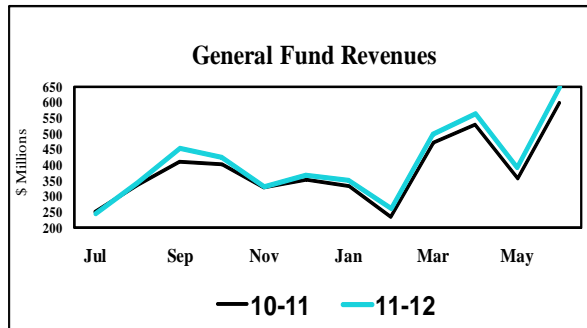
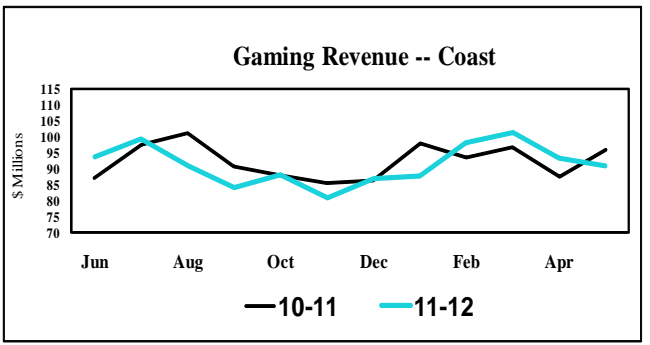
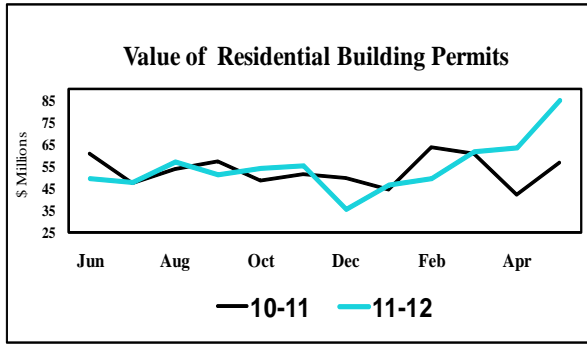
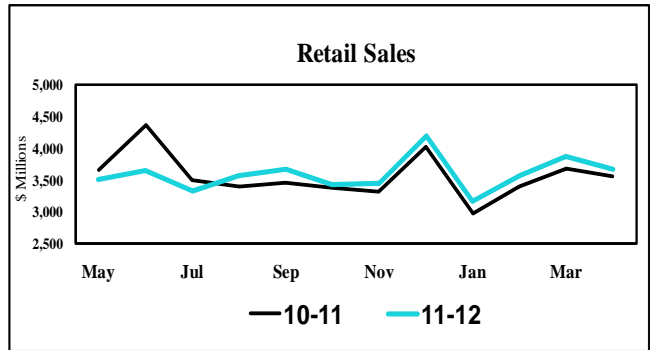
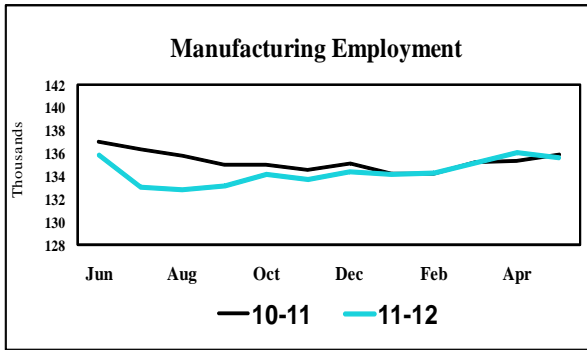
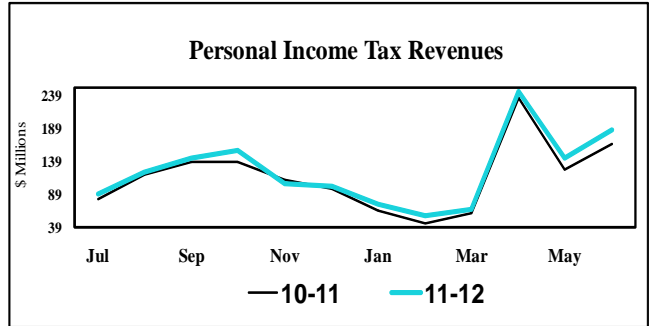
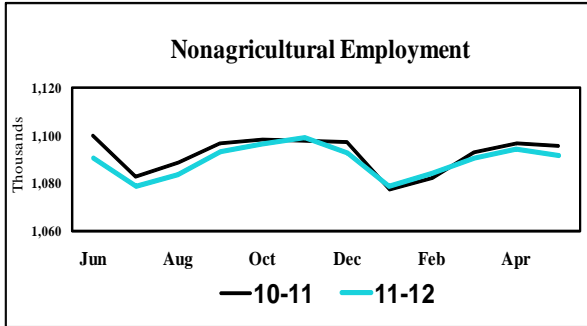
U.S. Census. 2008 County Business Patterns. www.census.gov

U.S. Department of Labor and Bureau of Labor Statistics <http://www.ows.doleta.gov/unemploy/finance.asp> for data by state on benefits, finances, reciprocity rates and more.

PERCENTAGE CHANGE IN STATE COINCIDENT INDICATOR INDEX, APRIL to JUNE 2012
Federal Reserve Bank of Philadelphia



A Graphic Overview



Appendix Tables
MISSISSIPPI AND NATIONAL
TRENDS AND FORECAST VALUES
2005 – 2017

NOTE: The historical data in these tables, which are subject to revision, are from the U.S. Bureau of Economic Analysis, the U.S. Bureau of the Census, and the U.S. Bureau of Labor Statistics or are constructed from these sources by the University Research Center or IHS Global Insight, Inc. The index of coincident and of leading indicators for Mississippi are published monthly in *Mississippi's Business*, another publication of the University Research Center. Details about the indicators are provided there.

The forecast numbers in these tables represent the mathematical solution of the state econometric model in which future values of variables are predicted on the basis of past and current trends in the U.S. and Mississippi economies. The U.S. forecasts are the July IHS Global Insight, Inc. forecast. The state model is re-solved as new data becomes available.

RECENT NATIONAL TRENDS

(Billions of constant dollars unless otherwise indicated)

	2011: QI	2011: QII	2011: QIII	2011: QIV	2012: QI	2012: QII ^P	2011: QI	2012: QI ^P	Value (current\$)
National Product (billions constant \$)									
Gross Domestic Product	0.4	1.3	1.8	2.9	1.9	1.5	1.7	2.0	\$15,094.0
Consumer Expenditures	2.1	0.7	1.7	2.1	2.4	1.5	2.2	2.0	\$10,725.9
On Durable Goods	11.2	-5.4	5.6	15.2	13.0	-1.6	8.2	7.7	\$1,162.9
On Nondurable Goods	1.5	0.2	-0.5	0.8	2.1	2.3	1.7	1.6	\$2,483.7
On Services	0.8	1.8	1.9	0.4	0.8	1.8	1.4	1.3	\$7,079.4
Gross Private Domestic Investment	3.8	6.3	1.3	20.5	6.3	6.5	4.8	8.0	\$1,916.3
In Equipment and Software	8.4	6.1	15.3	7.3	3.5	8.7	10.4	7.5	\$1,123.0
In Nonresidential Structures	-15.2	20.9	13.6	-0.9	1.9	1.4	4.6	2.8	\$409.5
In Residential Structures	-2.6	4.1	1.2	11.3	19.3	8.5	-1.5	11.6	\$328.4
Change in Inventories	112.8	-81.5	-420.5	10840.0	16.9	-7.4	-41.1	42.7	\$46.3
Government Purchases	-6.0	-0.9	-0.1	-4.2	-4.1	-0.7	-2.1	-2.3	\$3,030.5
Federal Purchases	-9.7	1.9	2.0	-7.1	-6.0	1.5	-1.9	-2.7	\$1,232.9
State & Local Purchases	-3.4	-2.8	-1.6	-2.2	-2.7	-2.3	-2.2	-2.1	\$1,797.7
Net Exports of Goods & Services	-9.9	7.5	13.1	-7.9	3.7	-8.2	1.9	0.3	-\$578.8
Exports	7.6	3.5	4.6	2.6	4.2	0.9	6.7	3.2	\$2,085.5
Imports	8.1	1.4	1.2	3.6	2.7	2.2	4.9	2.5	\$2,664.2
Other Key Indicators									
Total Employment, Residents (millions)	1.4	0.2	0.5	2.3	3.8	0.4	0.6	1.7	139.9
Total Payroll Employment (millions)	1.4	1.7	0.9	1.4	2.1	1.0	1.2	1.4	131.4
Private Sector Employment (millions)	1.9	2.3	1.4	1.8	2.6	1.3	1.8	1.8	109.3
State and Local Govt. Employment (millions)	-1.4	-1.4	-1.5	-0.7	-0.1	-0.3	-1.4	-0.5	19.2
Federal Employment (millions)	1.4	-1.3	-2.7	-1.1	-1.6	-1.3	-4.0	-1.7	2.9
Number Unemployed (millions)	-25.7	4.0	0.2	-14.8	-19.3	-3.4	-7.2	-8.3	13.7
Unemployment Rate (percent)	9.0	9.0	9.1	8.7	8.3	8.2	9.0	8.1	9.0%
Personal Income (billions \$)	4.7	0.1	0.8	0.3	1.2	2.7	2.5	1.7	\$12,991.2
Retail Sales (billions \$)	9.9	5.8	4.8	8.5	6.6	1.2	8.0	5.1	\$4,649.1
Median Price Exist Single Home (% of 2007price)	71.0	75.7	75.8	72.7	71.0	80.3	73.8	76.0	73.8%
Housing Starts (millions)	30.2	-7.3	28.9	41.9	21.4	11.0	4.5	25.0	0.6
Index of Industrial Production (2007=100)	4.3	1.2	5.5	5.0	5.5	3.1	4.1	4.0	93.7
Commercial & Industrial Loans (billions \$)	5.8	10.2	11.7	12.0	15.1	9.7	5.6	11.6	\$1,279.2
Consumer Credit Outstanding (billions \$)	3.5	3.4	2.3	6.7	5.8	3.0	2.3	4.8	\$2,465.1
After-Tax Profit (billions \$)	35.0	4.2	8.5	-2.0	40.4	-14.2	5.1	9.4	\$1,480.1
West Texas Intermediate Oil (\$ per barrel)	\$94.0	\$102.6	\$89.7	\$94.0	\$102.9	\$93.5	\$95.1	\$90.2	\$95.1
Light Vehicle Sales (millions of units)	22.5	-26.4	11.1	31.8	31.4	-12.3	10.3	11.8	12.7
Prices and Wages									
GDP Price Index (2005=100)	2.5	2.5	2.5	0.9	2.0	1.6	2.1	1.7	113.3
Consumer Price Index (1983=100)	4.5	4.4	3.1	1.3	2.5	0.7	3.1	1.7	224.9
Producer Price Index (1982=100)	15.9	8.4	0.9	1.5	1.9	-8.5	8.8	-0.8	201.0
Real After-Tax Hrly Compensation	3.7	-4.1	3.2	-0.8	-2.2	0.3	0.3	-0.1	\$18.4
Financial Markets									
Prime Rate (%)	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%
Federal Funds Rate (%)	0.2%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%
Exchange Rate (\$ vs. Major Currencies)	0.86	0.83	0.83	0.86	0.87	0.88	0.85	0.88	0.90%
S&P Index (% of Q2:2007 level)	87.1	88.1	82.1	81.9	90.0	90.2	84.8	89.3	84.8%
Payroll Employment (millions)									
Manufacturing	3.4	2.3	1.4	0.7	3.6	1.9	1.8	1.8	11.7
Contract Construction	-0.6	1.1	1.1	1.2	2.2	-2.5	-0.3	0.7	5.5
Transportation, Utilities	2.2	2.9	1.1	1.4	3.1	1.5	2.2	2	4.8
Wholesale, Retail Trade	1.6	2.1	1.0	1.3	1.2	0.9	1.4	1.3	20.2
Finance, Insur, Real Estate	0.6	0.6	-0.3	0.6	0.9	1.0	0.4	0.6	7.7
Health & Social Assistance	1.0	2.1	2.3	2.0	2.3	2.3	1.6	2.2	16.6
Business & Professional Services	4.5	3.8	2.5	3.3	4.7	1.9	3.6	3.1	17.3
Leisure & Hospitality	2.0	3.0	1.5	2.5	3.5	0.9	2.1	2.3	13.3
Government	-1	-1.4	-1.7	-0.8	-0.3	-0.4	-1.7	-0.7	22.1
Total Payroll Employment	1.4	1.7	0.9	1.4	2.1	1.0	1.2	1.4	131.4

P = projected nor preliminary

RECENT MISSISSIPPI TRENDS

(Annualized percentage change unless otherwise indicated)

	2011: QI	2011: QII	2011:Q III	2011: QIV	2012: QI	2012: QII	2010	2011	2011 Value
Gross State Product (millions \$)	2.3	1.2	2.1	3.3	3.4	0.2	3.6	2.4	\$97,810
Gross State Product (millions 2005\$)	-0.6	-2.4	-1.7	-0.8	2.6	-1.6	2.2	-0.7	\$84,371
GSP Price Index (2005=100)	2.8	3.6	3.8	4.1	0.8	1.9	1.4	3.1	115.9
Other Key Indicators									
Consumer Price Index (South) (1983=100)	5.0	4.2	3.3	1.7	3.1	2.0	1.4	3.2	216.6
Average Annual Wage (thousands)	-\$3.4	\$2.7	\$2.0	\$6.4	\$1.8	\$0.6	1.8	2.0	\$37,037
Median Price, Existing Homes (thousands)	-\$13.0	-\$14.0	\$18.6	-\$1.6	\$10.5	-\$4.3	-3.2	-1.2	\$80,137
Housing Starts (thousands)	30.4	78.9	-95.9	25.9	21.3	1.4	-20.0	-1.9	5,168
Index Coincident Indicators (2004=100)	0.3	0.0	0.5	1.8	1.6	-1.1	0.2	0.6	101.6
Index Leading Indicators (2004=100)	7.4	-4.9	-7.3	9.0	13.0	1.3	2.4	0.6	94.4
Number Unemployed (thousands)	10.4	4.3	9.1	9.3	-11.2	-41.3	13.9	3.8	143.3
Unemployment Rate (percent)	10.4	10.5	10.7	10.9	10.6	9.5	10.5	10.7	10.7%
Employment, Residents (thousands)	2.1	2.4	0.3	0.4	2.6	2.6	0.8	1.8	1,200.6
Payroll Employment (thousands)	-0.1	-0.2	-0.5	-0.5	1.0	-0.7	-0.5	0.0	1,090.6
Manufacturing	-2.9	2.2	0.0	-6.6	2.9	2.3	-3.6	-1.1	134.5
Durable Goods	-4.4	4.0	2.9	-6.1	5.1	4.0	-3.6	-0.2	87.1
Nondurable Goods	-0.3	-1.1	-5.2	-7.6	-1.1	-0.9	-3.5	-2.7	47.3
Contract Construction	2.9	-4.5	-5.1	-2.7	-2.7	-0.3	-3.4	-1.2	48.8
Natural Resources, Mining	-1.5	6.0	0.0	4.4	4.4	4.3	3.7	3.9	9.1
Transportation, Utilities	4.3	2.3	1.1	1.4	2.2	6.9	0.1	2.2	47.9
Wholesale, Retail Trade	0.7	0.8	-0.2	-3.3	0.3	-4.9	-0.8	0.0	166.6
Finance, Insur, Real Estate	-1.5	-0.9	-0.6	2.7	0.9	-1.8	-1.7	-0.4	44.8
Health Care & Social Assist.	2.9	1.9	0.9	6.3	5.8	0.1	2.1	2.6	121.7
Leisure & Hospitality	0.2	0.9	1.0	-4.7	-6.4	0.8	-1.6	-0.4	117.7
Business & Other Services	-4.0	0.6	-0.1	-1.3	5.4	-5.5	5.5	2.0	93.8
Agriculture, Forestry & Fishing	2.8	1.4	1.4	0.9	6.4	2.3	2.9	2.2	18.1
Government	-0.3	-2.1	-1.5	2.2	0.7	0.4	-0.3	-1.2	246.1
Personal Income (millions \$)									
Wages & Salaries	1.7	2.1	5.8	2.8	1.8	-0.1	1.4	1.8	\$42,039
Other Labor Income	0.9	1.6	1.8	4.0	1.2	2.9	1.5	0.8	\$11,569
Proprietors' Income	-9.3	5.5	3.6	0.0	-15.8	-4.3	8.1	4.3	\$7,930
Farm Proprietors	-69.6	29.8	11.5	-28.0	-155.3	-70.6	6.2	-1.7	\$1,089
Nonfarm Proprietors	2.0	1.8	2.4	4.7	5.6	5.9	8.4	5.3	\$6,841
Property Income	11.0	6.5	-0.3	1.4	-0.4	6.0	2.9	4.3	\$12,638
Transfer Payments	-0.2	4.8	-1.5	-0.2	-2.7	1.3	7.6	4.0	\$25,028
Less: Social Sec. Payments	-39.9	1.9	5.9	2.6	4.1	0.0	1.5	-9.1	\$6,300
Plus: Residence Adjustment	11.6	6.0	8.6	1.5	4.1	2.0	6.3	7.2	\$2,875
Equals: Total Personal Income	4.7	3.7	2.5	1.7	-1.3	0.9	3.8	3.8	\$95,779

MISSISSIPPI AND U.S. FORECASTS 2012 - 2017 (Annual Percentage Change)

	2011	2012	2013	2014	2015	2016	2017
Gross State Product (constant \$)	-0.7	0.5	1.8	2.6	3.1	2.6	2.3
Manufacturing	-0.5	1.4	3.6	4.3	3.9	3.3	3.1
Durable Goods	2.4	2.9	4.9	5.7	5.0	3.6	3.7
Nondurable Goods	-3.3	-0.5	2.0	2.3	2.2	2.7	2.4
Contract Construction	-2.1	-4.3	1.6	4.7	6.5	5.0	3.5
Natural Resources, Mining	14.8	3.2	1.5	-0.6	0.5	0.3	1.1
Agric, Forestry & Fishing							
Transportation, Utilities	-4.7	0.5	2.4	2.6	2.8	2.2	2.4
Wholesale, Retail Trade	1.0	0.9	2.3	2.7	2.8	2.7	2.6
Finance, Insur, Real Estate	-0.9	0.8	1.5	1.9	2.1	2.2	1.9
Health Care & Social Assist.	2.0	2.1	2.9	3.3	3.4	3.2	2.9
Leisure & Hospitality	-0.4	0.1	2.1	2.4	2.5	2.4	2.4
Business & Other Services	-1.4	0.1	0.5	0.3	1.0	1.0	1.1
Government							
Other Key Indicators							
Gross State Product (current \$)	2.4	2.5	3.5	4.1	4.5	4.2	3.9
GSP Price Index (2005=100)	3.1	1.8	1.3	1.5	1.7	1.6	1.5
Consumer Price Index (South) (1983=100)	3.2	1.7	1.7	2.4	2.0	1.7	1.5
Employment, Residents (thousands)	1.8	1.4	1.2	1.0	1.1	1.1	1.0
Payroll Employment (thousands)	0.0	0.2	1.1	1.6	1.3	1.1	1.2
Unemployment Rate	10.7%	9.3%	9.0%	8.7%	8.3%	7.9%	7.6%
Payroll Employment	0.0	0.2	1.1	1.6	1.3	1.1	1.2
Manufacturing	-1.1	1.1	1.3	1.2	0.7	-0.2	0.4
Durable Goods	-0.2	2.4	2.2	1.7	1.0	0.2	1.0
Nondurable Goods	-2.7	-1.3	-0.4	0.2	0.1	-0.8	-0.8
Contract Construction	-1.2	-2.9	1.1	5.8	8.2	5.4	3.3
Natural Resources, Mining	3.9	4.0	2.7	1.0	-2.5	-2.0	-0.1
Transportation, Utilities	2.2	2.8	2.5	2.3	2.1	1.7	1.4
Wholesale, Retail Trade	0.0	-1.1	0.7	1.1	0.3	0.7	0.6
Finance, Insur, Real Estate	-0.4	1.9	0.2	0.3	-0.2	-0.4	0.3
Health Care & Social Assist.	2.6	2.6	2.3	2.0	1.9	2.2	2.3
Leisure & Hospitality	-0.4	-1.1	0.7	0.8	0.2	-0.1	0.4
Business & Other Services	0.5	-1.0	2.3	2.9	3.1	2.5	2.4
Government	-1.2	0.5	-0.2	0.6	0.1	0.4	0.6
Personal Income (billions \$)							
Wages & Salaries	1.9	2.7	3.4	4.3	4.6	4.8	4.9
Other Labor Income	0.7	2.4	3.2	4.0	4.4	4.8	4.9
Proprietors' Income	4.2	2.1	4.7	3.9	5.9	3.7	3.9
Farm Proprietors	-1.7	-9.1	5.1	-8.1	5.4	-4.2	-0.3
Nonfarm Proprietors	5.3	3.9	4.7	5.6	5.9	4.6	4.4
Property Income	4.3	2.9	3.7	4.1	5.4	4.8	4.9
Transfer Payments	4.0	1.4	2.9	5.0	5.1	5.7	5.2
Less: Social Sec. Payments	-8.9	3.7	6.1	6.6	9.3	8.1	8.1
Plus: Residence Adjustment	7.6	5.3	4.6	4.5	4.4	4.4	5.0
Equals: Total Personal Income	3.8	2.3	3.3	4.2	4.6	4.7	4.7
Less: Individual IRS Collections	17.6	6.0	9.1	6.5	6.2	5.9	5.2
Less: Individual State and Local Taxes	7.2	4.2	4.3	4.5	4.7	4.6	4.7
Equals: Disposable Pers. Income	3.0	2.1	2.9	4.1	4.4	4.6	4.6
Per Capita Income	3.5	1.9	2.8	3.8	4.1	4.2	4.2
Population (thousands)	0.3	0.4	0.4	0.5	0.5	0.5	0.5
U.S. FORECAST 2012-2017							
Gross Domestic Product (billions \$)	3.9	3.7	3.4	4.3	5.1	4.7	4.5
Real Gross Domestic Product (billions constant \$)	1.7	2	2.0	2.7	3.3	3.0	2.9
GDP Deflator (2005=100)	2.1	1.7	1.4	1.6	1.7	1.6	1.5
Total Employment, Residents (millions)	0.6	1.7	1.0	1.1	1.5	1.4	1.2
Total Payroll Employment (millions)	1.2	1.4	1.3	1.4	1.7	1.7	1.4
Unemployment Rate (Percent)	9.0%	8.1%	8.0%	7.7%	7.1%	6.6%	6.2%
Personal Income (billions \$)	5.0	3.2	3.7	4.6	5.0	5.2	4.6
Per Capita Income	4.2	2.3	2.7	3.6	4.0	4.2	3.6
Consumer Price Index	3.1	1.7	1.3	2.3	2.0	1.8	1.6
Prime Rate (Percent)	3.3%	3.3%	3.3%	3.3%	4.8%	6.7%	7.0%

MISSISSIPPI AND U.S. HISTORICAL DATA 2005 - 2011 (Annual Percentage Change)

	2005	2006	2007	2008	2009	2010	2011
Gross State Product (constant \$)	1.2	1.8	3.7	1.4	-4.6	2.2	-0.7
Manufacturing	4.2	9.3	7.5	-3.1	-14.5	2.1	-0.5
Durable Goods	3.3	8.7	8.5	-4.9	-21.9	10.2	2.4
Nondurable Goods	5.5	10.1	6.3	-1.2	-5.9	-5.4	-3.3
Contract Construction	6.6	4.2	-1.2	8.8	-11.4	-0.4	-2.1
Natural Resources, Mining	-36.5	-2.5	1.9	5.0	15.4	-6.3	14.8
Agric, Forestry & Fishing							
Transportation, Utilities	1.1	1.1	1.2	2.5	-10.7	5.8	-4.7
Wholesale, Retail Trade	1.1	6.1	-1.0	-5.4	-5.5	6.2	1.0
Finance, Insur, Real Estate	1.5	0.2	7.8	8.9	0.2	-0.6	-1.0
Health Care & Social Assist.	0.1	4.5	2.1	3.9	2.1	3.0	2.0
Leisure & Hospitality	0.2	-7.0	10.3	-7.8	-9.8	6.4	-0.4
Business & Other Services	3.2	3.7	1.8	1.9	-4.9	4.1	1.1
Government	0.4	-2.8	4.1	3.1	1.0	-0.8	-1.4
Other Key Indicators							
Gross State Product (current \$)	4.9	5.5	7.3	3.6	-3.5	3.6	2.4
GSP Price Index (2005=100)	3.7	3.6	3.4	2.2	1.2	1.4	3.1
Consumer Price Index (South) (1983=100)	3.4	3.4	2.4	4.5	-0.4	1.4	3.2
Employment, Residents (thousands)	-0.8	-1.6	1.7	-0.5	-3.7	0.8	1.8
Payroll Employment (thousands)	0.5	1.0	1.0	-0.5	-4.5	-0.5	0.0
Unemployment Rate	7.8%	6.8%	6.3%	6.8%	9.4%	10.5%	10.7%
Payroll Employment							
Manufacturing	0.5	1.0	1.0	-0.5	-4.5	-0.5	0.0
Durable Goods	-0.8	-1.4	-3.6	-5.8	-11.6	-3.6	-1.1
Nondurable Goods	0.2	-0.2	-3.2	-6.7	-14.1	-3.6	-0.2
Contract Construction	-2.7	-3.8	-4.3	-4.2	-6.8	-3.5	-2.7
Natural Resources, Mining	6.2	10.6	1.9	2.7	-15.3	-3.4	-1.2
Transportation, Utilities	-0.8	8.0	0.4	0.4	-11.4	3.7	3.9
Wholesale, Retail Trade	0.6	1.2	1.9	0.0	-3.4	0.1	2.2
Finance, Insur, Real Estate	0.2	2.7	0.2	-1.6	-4.5	-0.8	0.0
Health Care & Social Assist.	0.7	0.4	1.1	-0.1	-2.8	-1.7	-0.4
Leisure & Hospitality	1.8	2.7	3.9	1.4	1.6	2.1	2.6
Business & Other Services	-1.5	-2.7	5.1	-0.3	-4.2	-1.6	-0.4
Government	3.0	2.5	0.1	0.5	-6.6	2.4	0.5
Government	-0.6	-0.6	1.9	1.6	0.8	-0.3	-1.2
Personal Income (billions \$)							
Wages & Salaries	4.5	6.0	5.1	3.5	-3.3	1.4	1.8
Other Labor Income	5.0	4.3	2.7	7.3	1.4	1.5	0.8
Proprietors' Income	2.0	-8.2	3.0	1.7	-10.1	8.1	4.3
Farm Proprietors	-0.3	-59.8	45.8	8.2	2.9	6.2	-1.7
Nonfarm Proprietors	2.7	4.3	-1.1	0.8	-12.1	8.4	5.3
Property Income	13.4	15.0	20.9	2.0	-15.6	2.9	4.3
Transfer Payments	12.1	1.4	4.4	11.6	8.6	7.6	4.0
Less: Social Sec. Payments	3.8	8.3	4.0	3.4	-1.3	1.5	-9.1
Plus: Residence Adjustment	7.7	9.3	6.7	6.1	0.7	6.3	7.2
Equals: Total Personal Income	7.1	4.3	6.8	5.4	-2.5	3.8	3.8
Less: Individual IRS Collections	12.4	13.5	9.1	0.8	-22.5	3.5	17.3
Less: Individual State and Local Taxes	12.4	4.4	6.2	13.9	-7.0	-2.6	7.4
Equals: Disposable Pers. Income	6.7	3.7	6.6	5.5	-1.1	4.0	3.0
Per Capita Income	6.6	4.1	6.0	4.7	-2.9	3.4	3.5
Population (thousands)	0.5	0.2	0.7	0.6	0.4	0.4	0.3
U.S. FORECAST 2012-2017							
Gross Domestic Product (billions \$)	6.5	6	4.9	1.9	-2.5	4.2	3.9
Real Gross Domestic Product (billions constant \$)	3.1	2.7	1.9	-0.3	-3.5	3.0	1.7
GDP Deflator (2005=100)	3.3	3.2	2.9	2.2	1.1	1.2	2.1
Total Employment, Residents (millions)	1.8	1.9	1.1	-0.5	-3.8	-0.6	0.6
Total Payroll Employment (millions)	1.7	1.8	1.1	-0.6	-4.4	-0.7	1.2
Unemployment Rate (Percent)	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.0%
Personal Income (billions \$)	5.5	7.5	5.7	4.6	-4.3	3.7	5.0
Per Capita Income	4.6	6.4	4.7	3.7	-5.1	2.9	4.2
Consumer Price Index	3.4	3.2	2.9	3.8	-0.3	1.6	3.1
Prime Rate (Percent)	6.2%	8.0%	8.1%	5.1%	3.3%	3.3%	3.3%