



## ECONOMY AT A GLANCE

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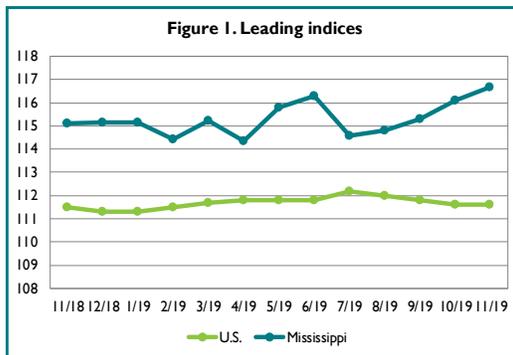
The value of the Mississippi Leading Index (MLI) increased 0.5 percent in November as seen in Figure 1 below. The value of the MLI for the month was 1.4 percent higher compared to one year ago.

Figure 2 below indicates the value of the Mississippi Coincident Index (MCI) did not change in November. Compared to one year ago the value for the month was 1.1 percent higher.

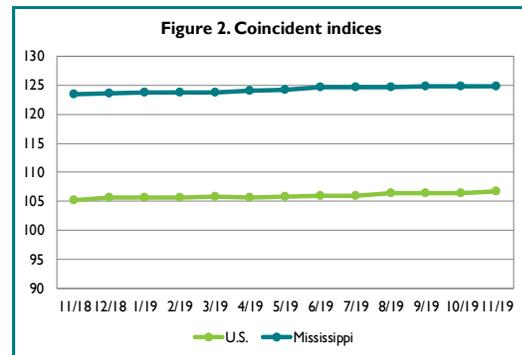
The U.S. Bureau of Economic Analysis (BEA) reported an increase of 2.1 percent in its third estimate of the change in U.S. real gross domestic product (GDP) in the third quarter of 2019. This estimate was unchanged from BEA's second estimate. Consumer spending and business investment were revised up in the latest estimate but these increases were offset by the downward revision to inventory in-

vestment. In addition, government spending at all levels rose in the third quarter.

The MLI rose in November for the fourth consecutive month due to gains in most of its components. The only Mississippi-specific component that declined was withholdings. Employment growth in the state, however, remains largely flat as it has in the second half of 2019. While the U.S. manufacturing sector struggled in 2019 due to a number of challenges, manufacturing in Mississippi held its own, which helped keep the state's economy steady. As the U.S. economy shows signs of picking up in part due to progress in trade disputes, the Mississippi economy could benefit. However, any improvements may not emerge until the second quarter of 2020 as activity in the first quarter in recent years has been subdued by winter weather.



Sources: University Research Center and The Conference Board



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

**Notes:** The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2004. The index is based on changes in nonfarm employment, the unemployment rate, average manufacturing work-week length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2004.

Photo credit: "The Mississippi State Capitol in Jackson, Mississippi" by Michael Barera available at [https://upload.wikimedia.org/wikipedia/commons/f/fb/Jackson\\_December\\_2018\\_10\\_%28Mississippi\\_State\\_Capitol%29.jpg](https://upload.wikimedia.org/wikipedia/commons/f/fb/Jackson_December_2018_10_%28Mississippi_State_Capitol%29.jpg) under a Creative Commons Attribution-ShareAlike 4.0 International (CC BY-SA 4.0) License. Full terms at <https://creativecommons.org/licenses/by-sa/4.0/deed.en>.

**MISSISSIPPI'S BUSINESS****MISSISSIPPI LEADING INDEX, NOVEMBER 2019**

In November the value of the **Mississippi Leading Index of Economic Indicators** (MLI) rose 0.5 percent as seen in Figure 3, the fourth consecutive monthly increase in the index. The value of the MLI for the month was 1.4 percent higher compared to one year ago, the first year-over-year increase in the MLI since June. Over the last six months the value of the MLI increased 0.8 percent.

Five of the seven components of the MLI made positive contributions in November. The largest contribution came from initial unemployment claims while the two components that declined were Mississippi income tax withholdings and the ISM Index of U.S. Manufacturing Activity. Each component is discussed below in order of largest to smallest contribution.

As seen in Figure 4 the number of seasonally-adjusted **initial unemployment claims** in Mississippi fell 12.7 percent in November, the largest monthly decrease since September 2018. Compared to one year ago the value for the month was down 9.1 percent, the first year-over-year decrease since June and the largest since December 2018. The value of seasonally-adjusted continued unemployment claims in Mississippi decreased 1.1 percent in November as seen in Figure 16 on page 6. However, the number of continued unemployment claims in Mississippi remained 5.4 percent higher compared to one year ago. The seasonally-adjusted unemployment rate in Mississippi climbed to 5.6 percent in November as seen in Figure 17 on page 6, an increase of 0.1 percentage point. The rate increased for the fifth consecutive month and reached its highest level in three years. The state's unemployment rate was up 0.9 percentage point in November compared to one year ago.

The value of the **Mississippi Manufacturing Employment Intensity Index** increased 1.1 percent in November as seen in Figure 5. The value was up 2.7 percent for the month compared to one year earlier, the largest year-over-year increase since January. The increase in the Index was entirely due to the increase in the average weekly hours of production employees in the state in November as manufacturing employment was unchanged.

Figure 6 indicates the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) rose 2.1 percent in November to its highest level since June. The value was down 1.5 percent for the month compared to one year earlier, the fifth consecutive month with a year-over-year decrease. Both

short-term (one-year) and long-term (five-year) inflation expectations decreased in the most recent survey.

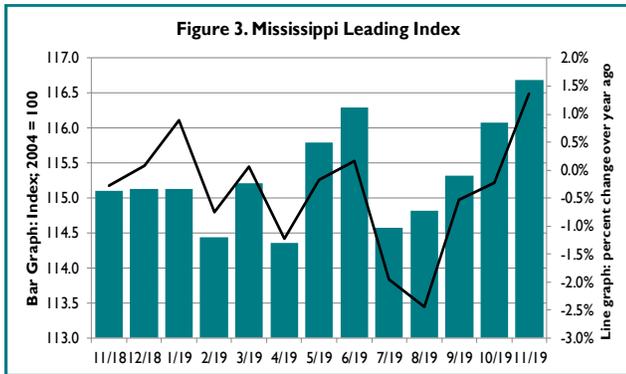
In November the value of **U.S. retail sales** rose 0.2 percent as seen in Figure 7. Compared to one year earlier sales were up 3.5 percent in November. The largest increase in sales among all segments occurred at nonstore retailers, closely followed by gasoline stations and electronics and appliances. The largest decrease in sales among all categories occurred in clothing and accessories; the only segments where sales declined in November were sporting goods and hobbies and food service and drinking places. Sales excluding automobiles and gasoline were unchanged.

The value of **Mississippi residential building permits** (three-month moving average) climbed 1.1 percent in November as seen in Figure 8. The gain marked the fifth consecutive monthly increase in the value of permits in the state. Compared to one year earlier the value for the month was up 14.3 percent. The number of units in the state in November, on the other hand, declined 2.2 percent, the second consecutively monthly decrease. Compared to one year ago the number of units in the state for the month was up 3.5 percent. The number of privately-owned housing units authorized by building permits in the U.S. increased 1.4 percent in November from the revised October rate. The number of units in the U.S. in November was 11.1 percent higher compared to one year ago.

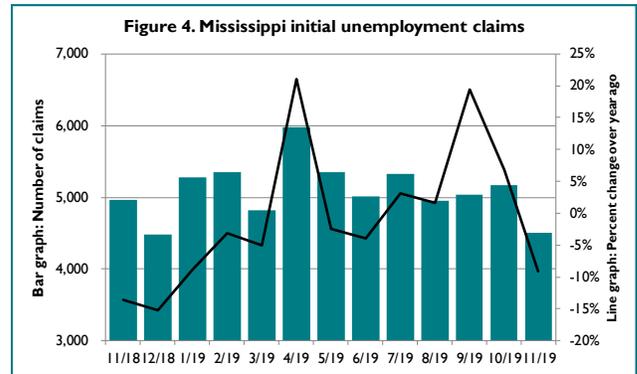
As seen in Figure 9 the value of **Mississippi income tax withholdings** (three-month moving average) slipped 0.7 percent in November after two consecutive months of increases. Compared to one year ago the value of withholdings was 1.5 percent higher for the month. The value of income tax withholdings in Mississippi decreased 0.9 percent over the last six months.

Figure 10 indicates the value of the **ISM Index of U.S. Manufacturing Activity** fell 1.9 percent in November. Compared to one year ago the value of the Index in November was 13.1 percent lower, the thirteenth consecutive month with a year-over-year decrease. Much of the decrease resulted from the decline in the Production component. The New Orders and Employment components also declined while the Inventories and Supplier Deliveries components increased. Supplier Deliveries was the only component in expansion territory in November. The value of the prices paid index surged to its highest level since May.

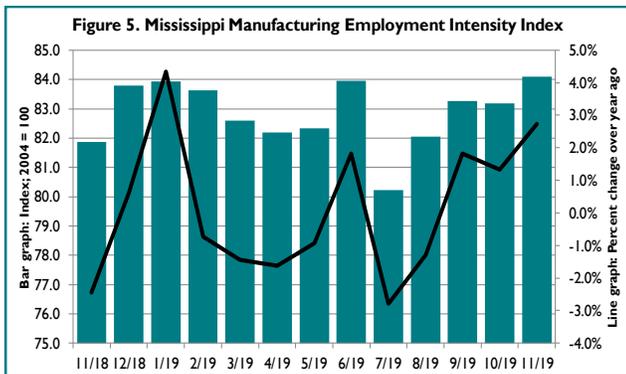
# MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



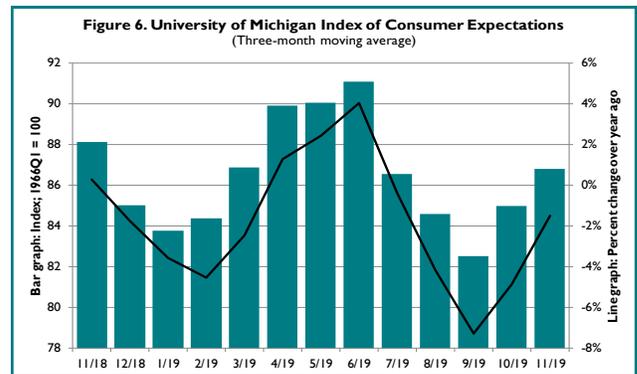
Source: University Research Center



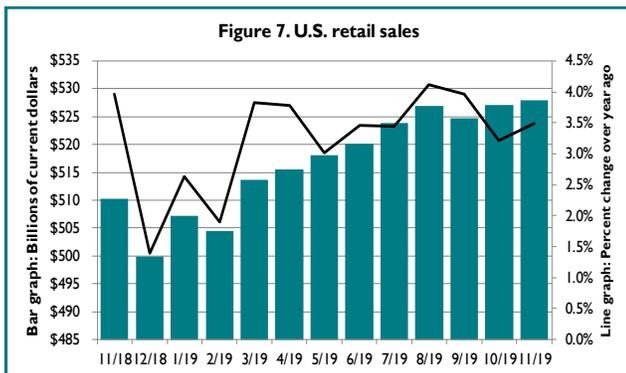
Source: U.S. Department of Labor; seasonally adjusted



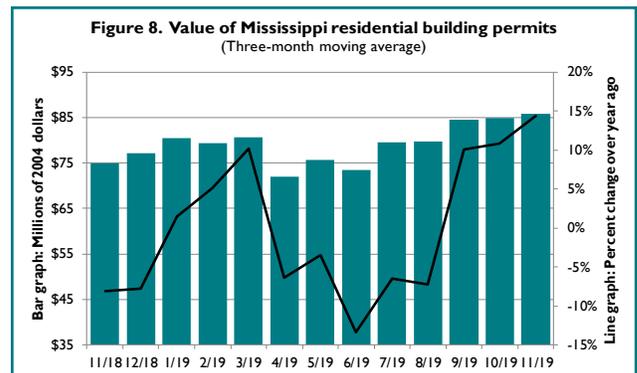
Source: URC using data from U.S. Bureau of Labor Statistics



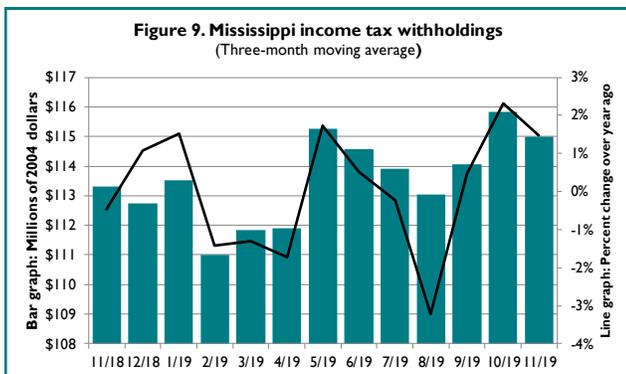
Source: Thomson Reuters/University of Michigan Surveys of Consumers



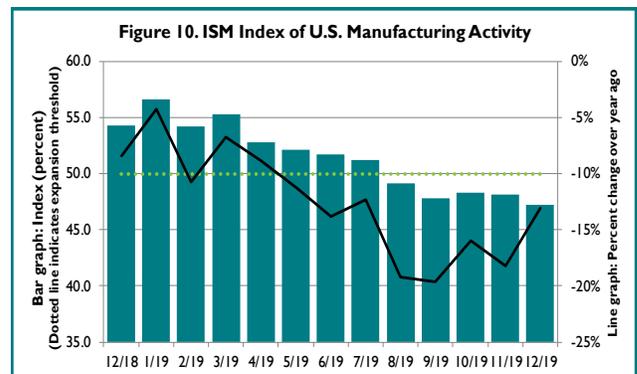
Source: U.S. Bureau of the Census



Source: U.S. Bureau of the Census; seasonally adjusted



Source: Mississippi Department of Revenue; seasonally adjusted



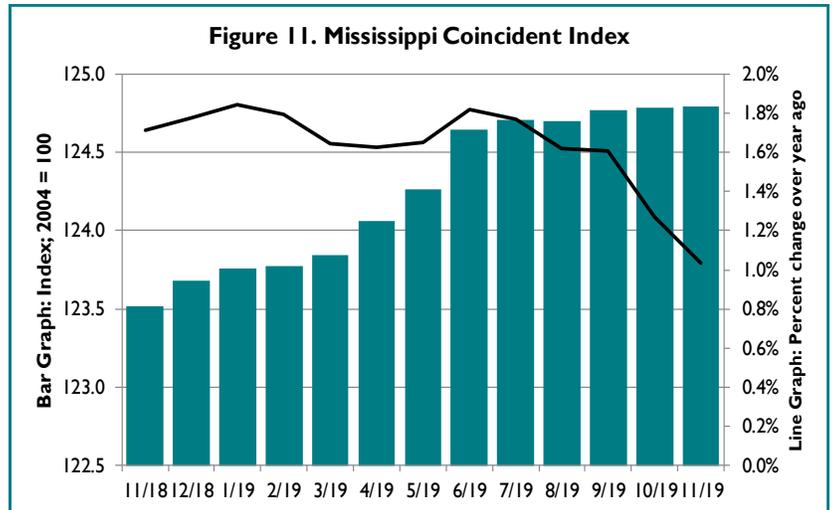
Source: Institute for Supply Management

MISSISSIPPI'S BUSINESS

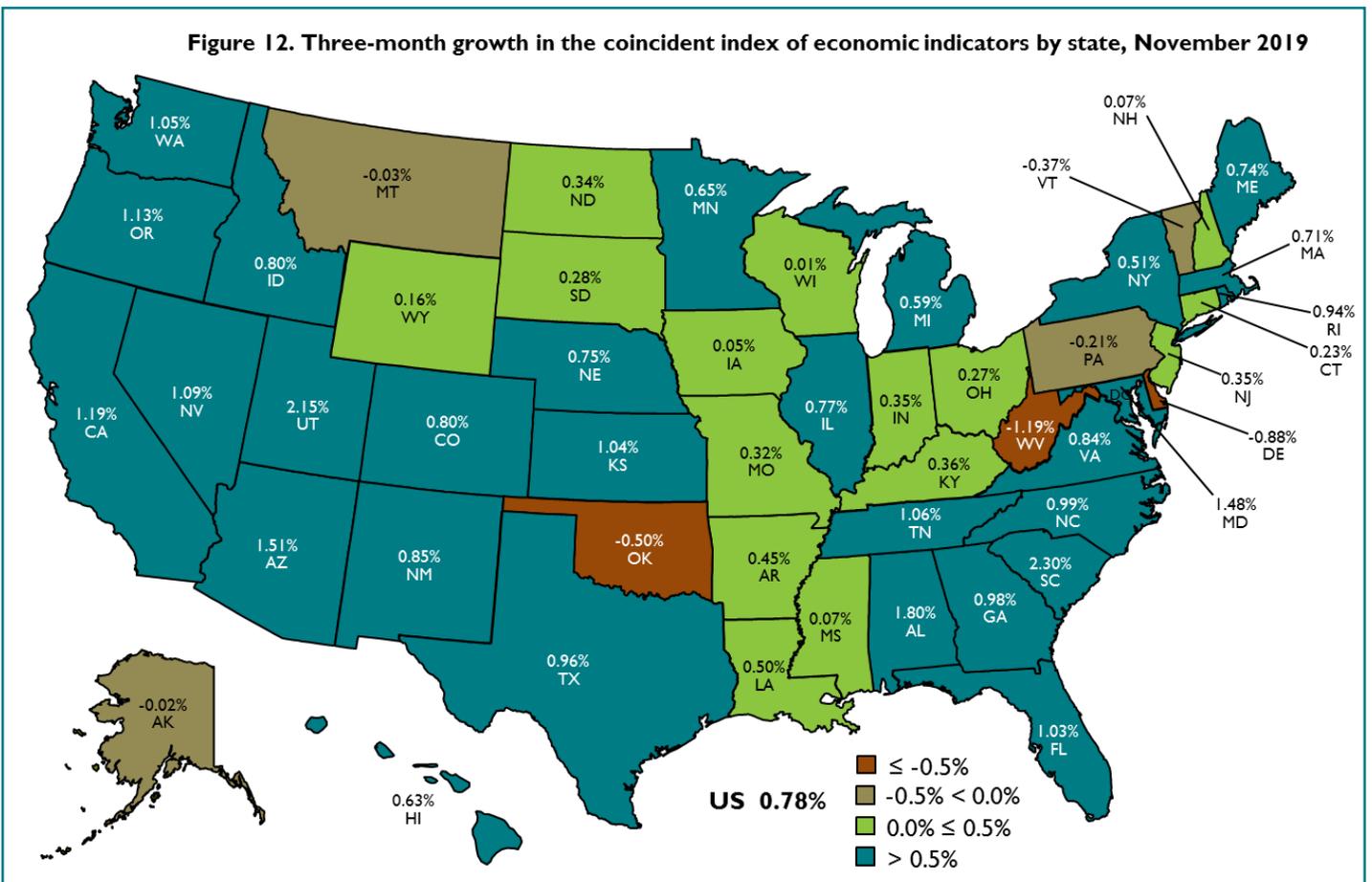
MISSISSIPPI COINCIDENT INDEX, NOVEMBER 2019

The value of the **Mississippi Coincident Index of Economic Indicators (MCI)** was unchanged in November according to the Federal Reserve Bank of Philadelphia as seen in Figure 11. Compared to one year ago the value of the MCI for the month was 1.1 percent higher.

As Figure 12 below indicates the values of the coincident indices were higher in forty-three states in November compared to three months prior. The values of the coincident indices increased by more than 0.5 percent in twenty-eight states in November compared to August. In fifteen states including Mississippi the values of the coincident indices increased by less than 0.5 percent in November compared to three months prior. In four states the value of the coincident index declined between 0.0 and 0.5 percent for the month and in three states the value of the coincident index decreased more than 0.5 percent in November compared to August.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

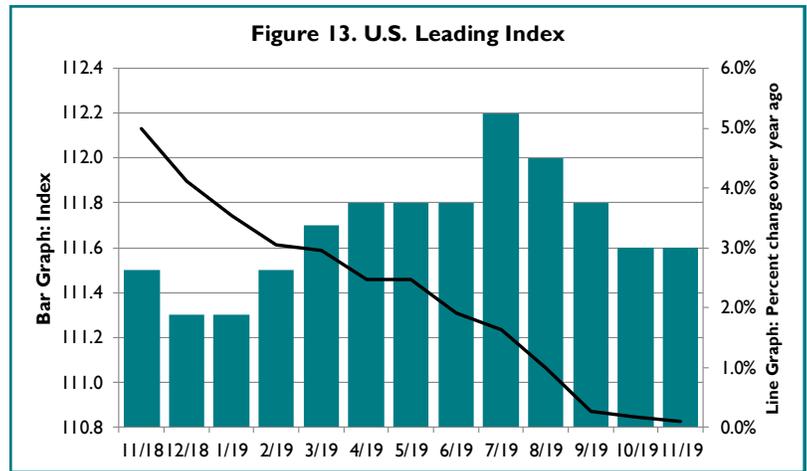
## NATIONAL TRENDS

The value of the U.S. Leading Economic Index (LEI) was unchanged in November according to The Conference Board as seen in Figure 13. The value of the LEI was up 0.1 percent in November compared to one year ago. Six of the ten components of the LEI contributed positively in November, two were unchanged, and two were negative. The largest positive contribution came from stock prices while the largest negative contribution came from the ISM New Orders Index. The value of the LEI decreased 0.2 percent over the last six months.

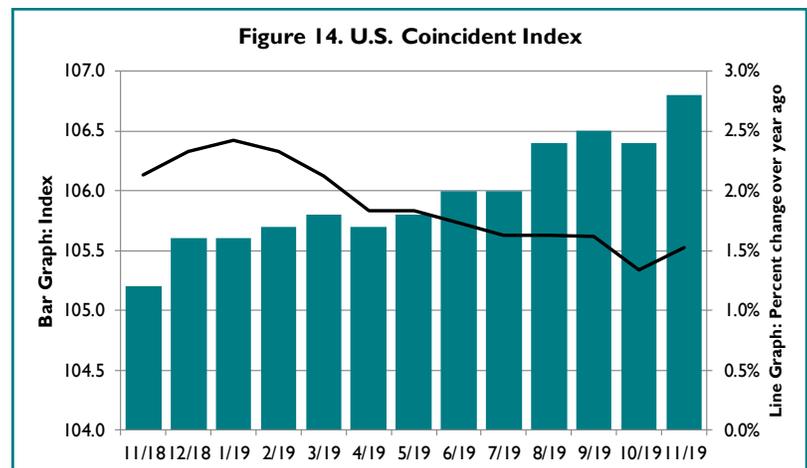
The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) increased 0.4 percent in November as seen in Figure 14. The value of the CEI was up 1.5 percent compared to one year ago. All four components of the CEI contributed positively for the month, led by industrial production. The value of the CEI rose 0.9 percent over the last six months.

Figure 15 indicates the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index rose 2.2 percent in November, its largest monthly increase since May 2018. The value of the Index was 0.1 percent lower for the month compared to one year earlier. As in the previous month most components of the Index increased in November. Notably, the earnings component gained 10 percentage point for the month. An increasing number of reports about the U.S. and China reaching a preliminary trade agreement likely helped push the Index higher.

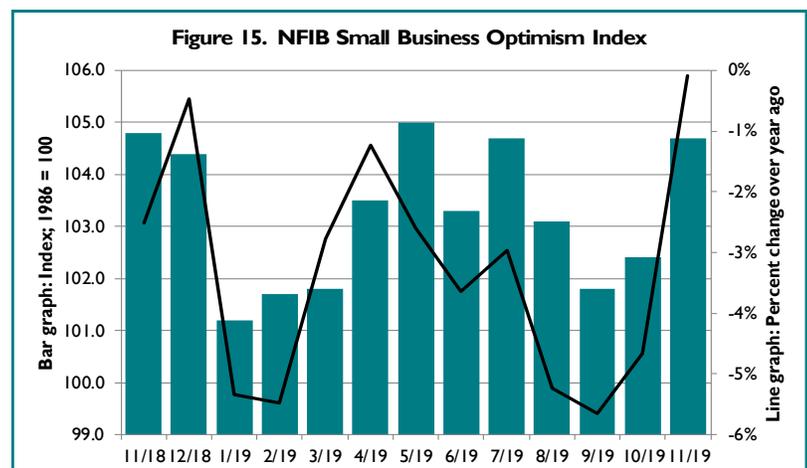
As was widely expected the Federal Open Market Committee (FOMC) made no changes to the federal funds rate target at its December meeting following cuts of 0.25 basis points at each of its previous three meetings. Moreover, unlike each of those previous three meetings the members voted unanimously to leave the target at 1.50 to 1.75 percent. Guidance provided by the FOMC following the meeting indicates members are likely inclined to leave rates unchanged through 2020, provided conditions remain positive. Fed officials remain concerned inflation continues to fall short of the Fed's target of 2.0 percent annually and are evaluating its approach to addressing inflation.



Source: The Conference Board



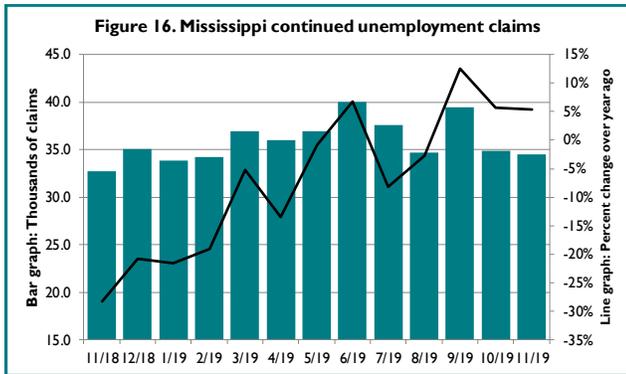
Source: The Conference Board



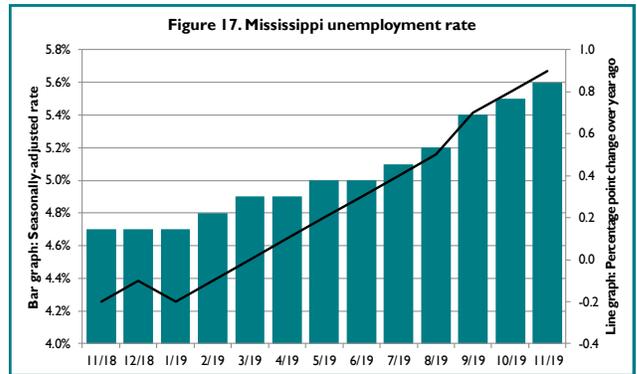
Source: National Federation of Independent Businesses

MISSISSIPPI'S BUSINESS

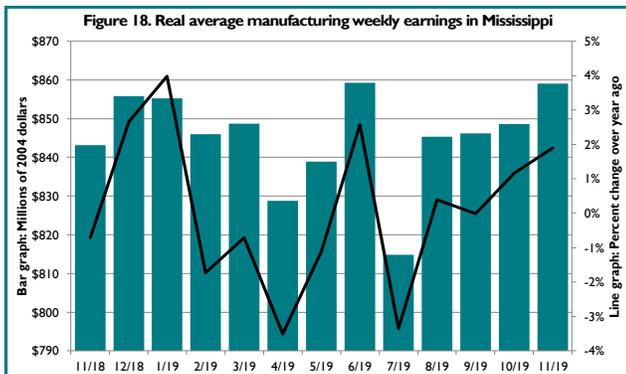
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



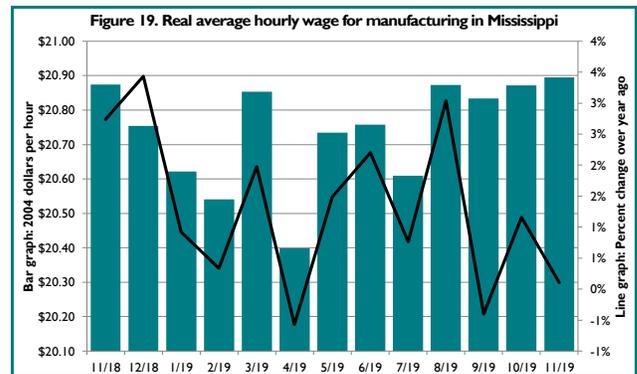
Source: U.S. Department of Labor; seasonally adjusted



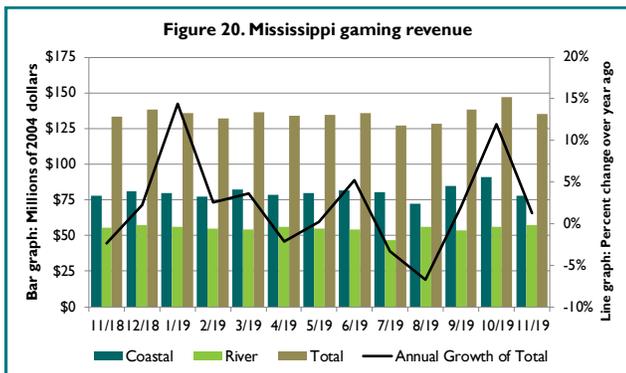
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



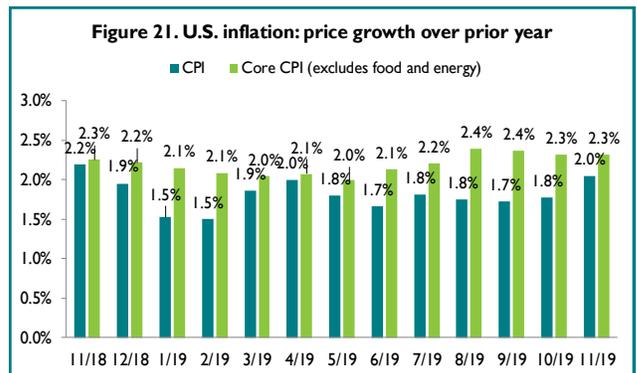
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



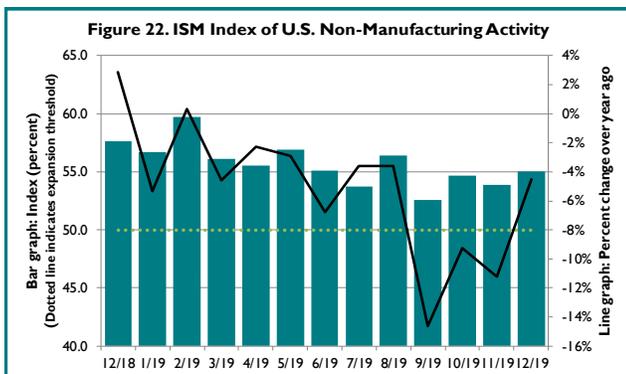
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



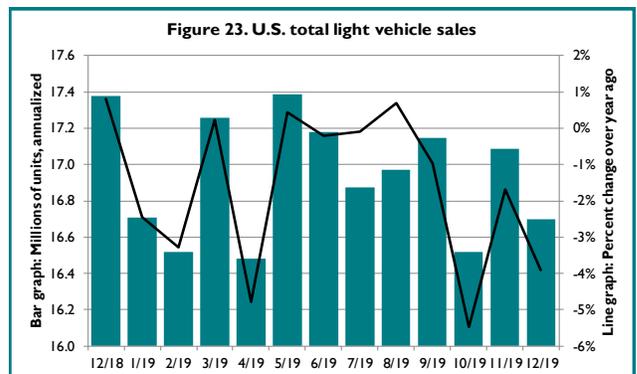
Source: Mississippi Department of Revenue; seasonally adjusted



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: Bureau of Economic Analysis; seasonally adjusted at annual rates

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	November	October	November	Percent change from		
	2019	2019	2018	October 2019	November 2018	
<b>U.S. Leading Economic Index</b> 2004 = 100. Source: The Conference Board	111.6	111.6	111.5	◀0.0%	▲0.1%	Economic Indices
<b>U.S. Coincident Economic Index</b> 2004 = 100. Source: The Conference Board	106.8	106.4	105.2	▲0.4%	▲1.5%	
<b>Mississippi Leading Index</b> 2004 = 100. Source: University Research Center	116.7	116.1	115.1	▲0.5%	▲1.4%	
<b>Mississippi Coincident Index</b> 2004 = 100. Source: Federal Reserve Bank of Philadelphia	124.8	124.8	123.5	◀0.0%	▲1.1%	
<b>Mississippi initial unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	4,509	5,165	4,959	▼12.7%	▼9.1%	Components of the Mississippi Leading Index
<b>Value of Mississippi residential building permits</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Bureau of the Census	85.8	84.9	75.0	▲1.1%	▲14.3%	
<b>Mississippi income tax withholdings</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	115.0	115.8	113.3	▼0.7%	▲1.5%	
<b>Mississippi Manufacturing Employment Intensity Index</b> 2004 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	84.1	83.2	81.9	▲1.1%	▲2.7%	
<b>University of Michigan Index of Consumer Expectations</b> Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	86.8	85.0	88.1	▲2.2%	▼1.5%	
<b>ISM Index of U.S. Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	47.2	48.1	54.3	▼1.9%	▼13.1%	
<b>U.S. retail sales</b> Current dollars, in billions. Source: Bureau of the Census	528.0	527.0	510.2	▲0.2%	▲3.5%	
<b>U.S. Consumer Price Index (CPI)</b>	136.5	136.2	133.8	▲0.3%	▲2.0%	
<b>U.S. Core CPI (excludes food and energy)</b> 2004 = 100. Source: URC using data from Bureau of Labor Statistics	135.1	134.8	132.0	▲0.2%	▲2.3%	
<b>Mississippi unemployment rate</b> Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	5.6%	5.5%	4.7%	▲0.1	▲0.9	
<b>Mississippi continued unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	34,504	34,886	32,729	▼1.1%	▲5.4%	Miscellaneous Indicators
<b>ISM Index of U.S. Non-Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	55.0	53.9	57.6	▲2.0%	▼4.5%	
<b>U.S. mortgage rates</b> Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	3.66%	3.69%	4.82%	▼0.04	▼1.16	
<b>Mississippi average hourly wage for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	20.90	20.87	20.43	▲0.1%	▲2.3%	
<b>Mississippi average weekly earnings for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	859.10	848.62	843.10	▲1.2%	▲1.9%	
<b>NFIB Small Business Optimism Index</b> 1986 = 100. Source: National Federation of Independent Businesses	104.7	102.4	104.8	▲2.2%	▼0.1%	
<b>U.S. total light vehicle sales</b> Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.70	17.09	17.38	▼2.3%	▼3.9%	
<b>Gaming revenue</b>	135.1	147.3	133.4	▼8.2%	▲1.3%	
<b>Coastal counties</b>	77.8	91.1	77.8	▼14.6%	◀0.0%	
<b>River counties</b> Seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	57.3	56.2	55.6	▲2.1%	▲3.1%	

## MISSISSIPPI'S BUSINESS

## MISSISSIPPI EMPLOYMENT TRENDS

Total nonfarm employment in Mississippi declined by 600 jobs in November according to the U.S. Bureau of Labor Statistics (BLS), a decrease of 0.1 percent. As seen in Table 2 total employment in Mississippi was up 0.7 percent for the month compared to one year earlier.

BLS reported statistically significant increases in total nonfarm employment in six states in November. The largest increase occurred in Texas, where 37,500 jobs were added for the month. The largest percentage increase occurred in Michigan, where employment rose 0.6 percent, followed by Virginia, where employment increased 0.4 percent. The only statistically significant decrease in employment in November occurred in Illinois, which lost 17,200 jobs, a decrease of 0.3 percent.

In November compared to one year earlier employment was higher in twenty-five states according to BLS. Texas added 336,700 jobs over the last twelve months, the most among all states, followed by California, which added 321,800 jobs. The 3.2 percent increase in employment in Utah compared to one year earlier was the largest percentage gain in employment among all states.

Government added 300 jobs in Mississippi in November, the most among all sectors in the state, followed by Fi-

ancial Activities, which added 200 jobs. The largest percentage gain in employment among all sectors was the 0.9 percent increase in Information, an increase of 100 jobs. Health Care and Social Assistance lost 500 jobs in November, the most among all sectors. Mining and Logging experienced the largest percentage decrease in employment among all sectors in the state of 1.5 percent, a loss of 100 jobs. Notably, employment in Professional and Business Services in Mississippi declined in November for the fourth consecutive month.

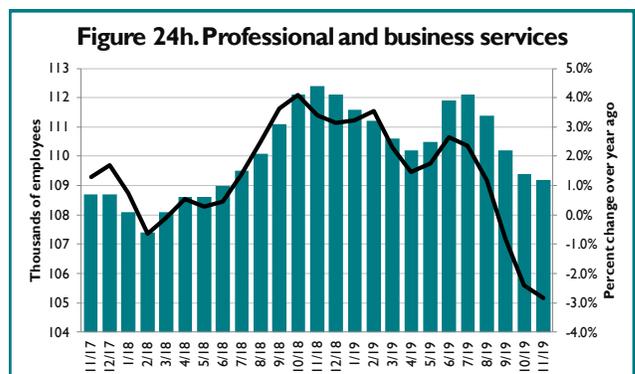
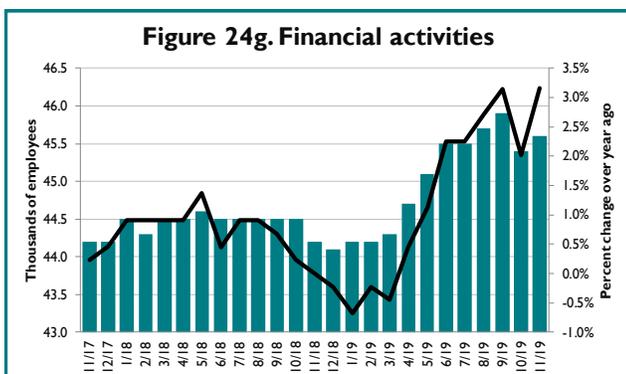
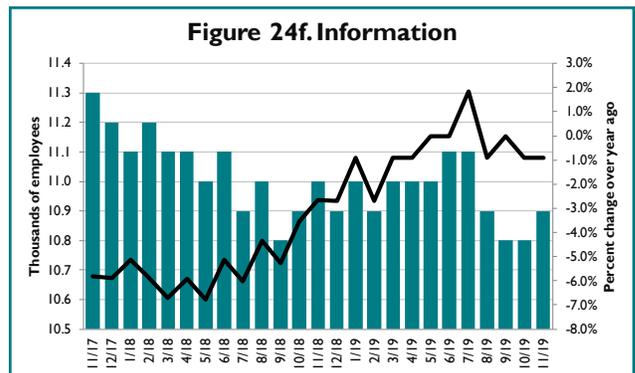
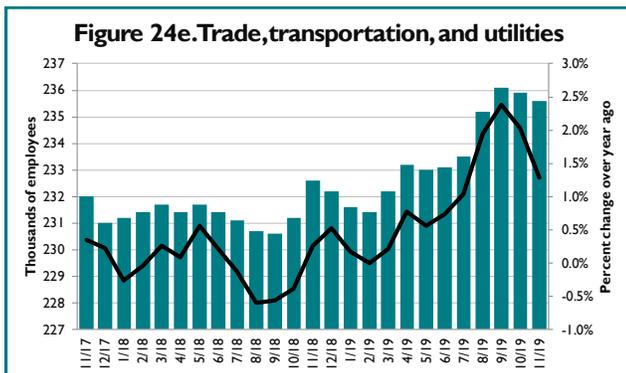
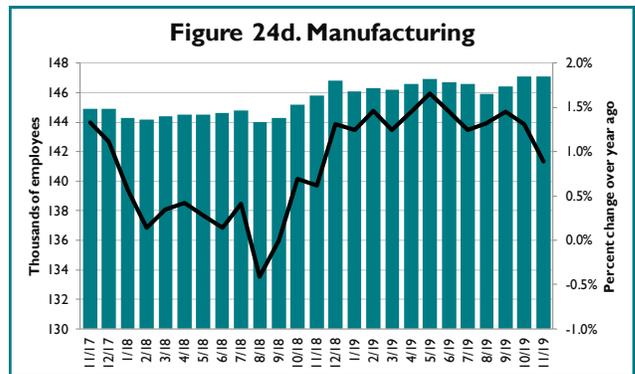
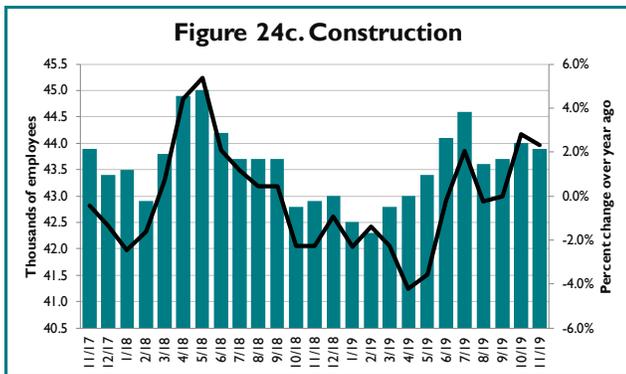
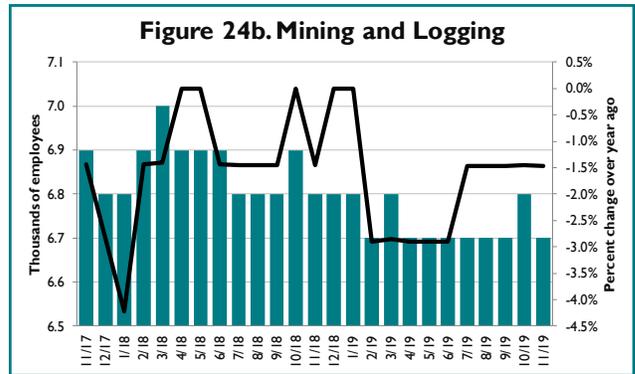
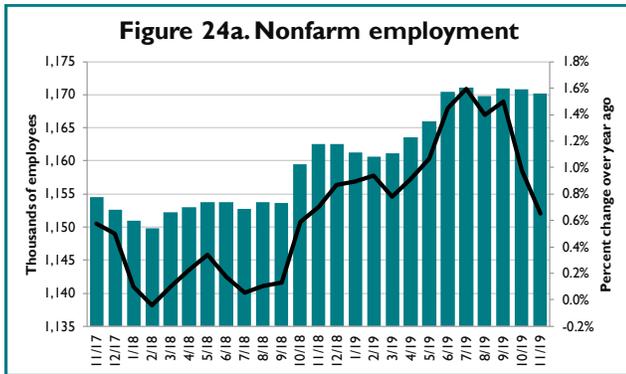
Accommodation and Food Services added 3,300 jobs over the last twelve months, the most among all sectors in the state, followed by Trade, Transportation, and Utilities, which added 3,000 jobs. The largest percentage increase in employment compared to one year ago occurred in Arts and Entertainment, where employment rose 5.3 percent. The largest decrease in employment among all sectors in Mississippi compared to one year earlier again occurred in Professional and Business Services, which lost 3,200 jobs. Employment in Educational Services was down 7.4 percent in November compared to one year earlier, the largest percentage decline among all sectors and a loss of 900 jobs.

**Table 2. Change in Mississippi employment by industry, November 2019**

	Relative share of total <sup>a</sup>	November 2019	October 2019	November 2018	Change from October 2019 Level	Change from October 2019 Percent	Change from November 2018 Level	Change from November 2018 Percent
Total Nonfarm	100.0%	1,170,200	1,170,800	1,162,600	▼600	▼0.1%	▲7,600	▲0.7%
Mining and Logging	0.6%	6,700	6,800	6,800	▼100	▼1.5%	▼100	▼1.5%
Construction	3.7%	43,900	44,000	42,900	▼100	▼0.2%	▲1,000	▲2.3%
Manufacturing	12.6%	147,100	147,100	145,800	◀0	◀0.0%	▲1,300	▲0.9%
Trade, Transportation & Utilities	20.0%	235,600	235,900	232,600	▼300	▼0.1%	▲3,000	▲1.3%
Retail Trade	11.9%	139,900	140,100	138,100	▼200	▼0.1%	▲1,800	▲1.3%
Information	0.9%	10,900	10,800	11,000	▲100	▲0.9%	▼100	▼0.9%
Financial Activities	3.9%	45,600	45,400	44,200	▲200	▲0.4%	▲1,400	▲3.2%
Services	37.6%	437,300	438,000	436,700	▼700	▼0.2%	▲600	▲0.1%
Professional & Business Services	9.5%	109,200	109,400	112,400	▼200	▼0.2%	▼3,200	▼2.8%
Educational Services	1.0%	11,300	11,400	12,200	▼100	▼0.9%	▼900	▼7.4%
Health Care and Social Assistance	11.5%	134,600	135,100	133,900	▼500	▼0.4%	▲700	▲0.5%
Arts and Entertainment	0.8%	10,000	10,000	9,500	◀0	◀0.0%	▲500	▲5.3%
Accommodation and Food Services	11.1%	130,400	130,400	127,100	◀0	◀0.0%	▲3,300	▲2.6%
Other Services	3.5%	41,800	41,700	41,600	▲100	▲0.2%	▲200	▲0.5%
Government	20.8%	243,100	242,800	242,600	▲300	▲0.1%	▲500	▲0.2%

<sup>a</sup>Relative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

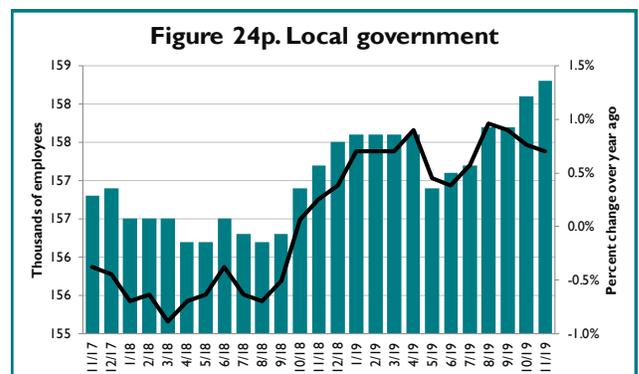
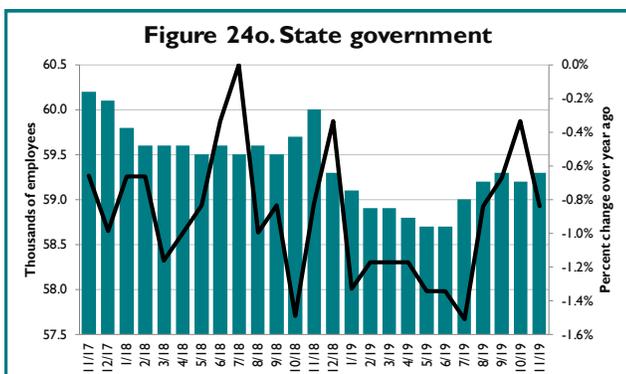
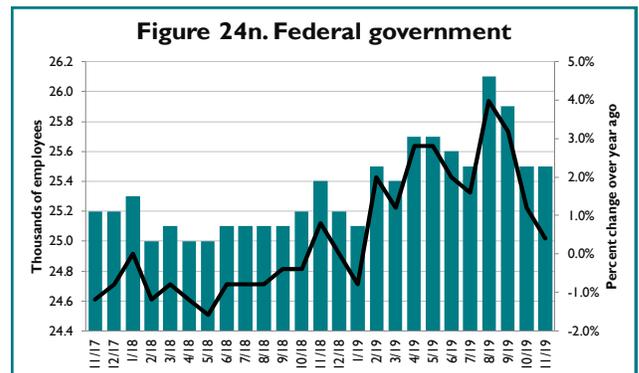
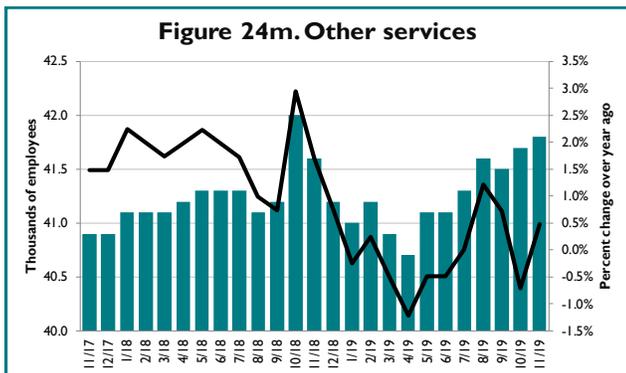
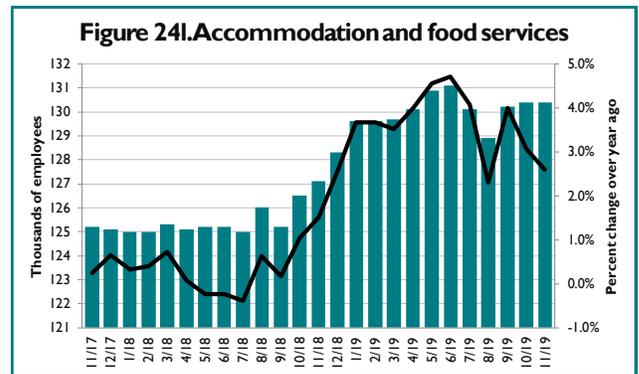
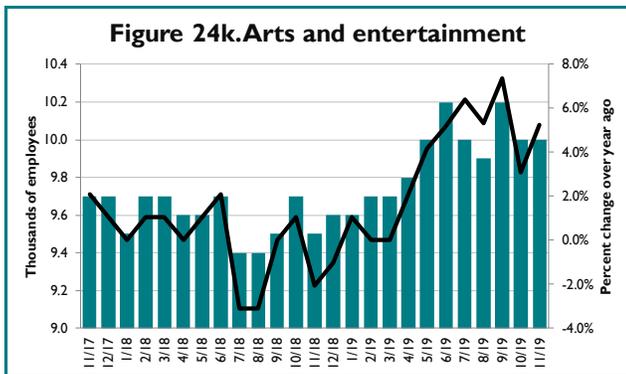
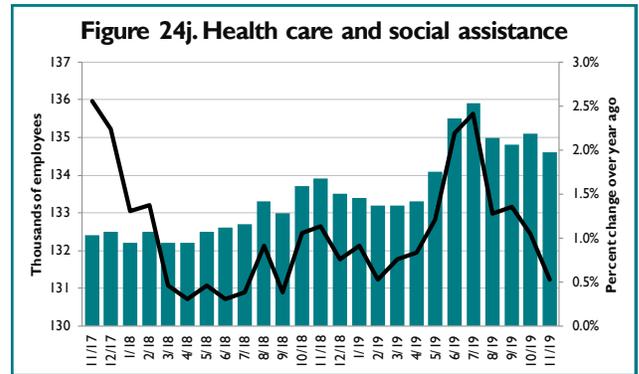
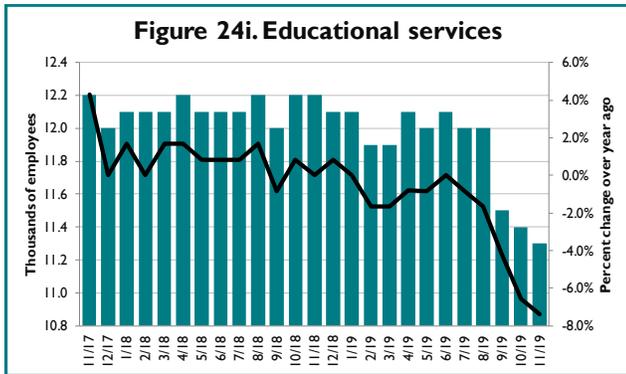
# MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted



## MISSISSIPPI'S BUSINESS

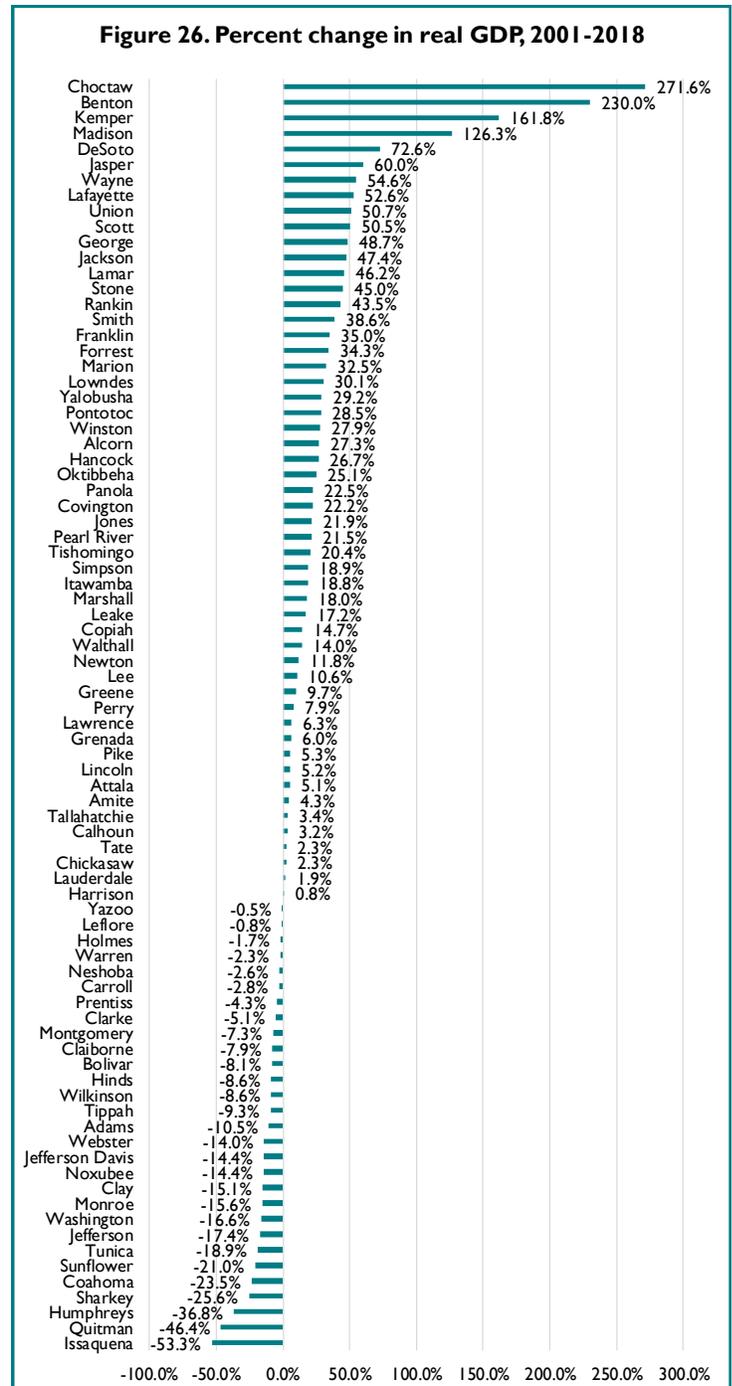
## CHANGE IN MISSISSIPPI COUNTY REAL GDP IN 2018, CONTINUED

accounted for almost 38 percent of Mississippi real GDP in 2018. Together these five counties also accounted for more than 28 percent of the state's population in 2018; the top three counties of Hinds, Harrison, and Jackson accounted for almost 20 percent of the state's population. Conversely, the five counties with the smallest real GDP accounted for less than 0.5 percent of Mississippi real GDP in 2018 and only 0.8 percent of the state's total population.

Figure 26 depicts the change in real GDP for each county in the state from 2001 to 2018, the entirety of the period covered by BEA's release. The economies of fifty-three counties expanded over this period, while real GDP contracted in twenty-nine counties from 2001 to 2018; that is, the economies of these counties were smaller in 2018 than in 2001. In addition, real GDP in eighteen counties grew a total of less than 17 percent from 2001 to 2018, noteworthy as this level represents average growth of less than 1 percent per year over the period.

The largest increases in real GDP occurred in Choctaw, Benton, Kemper, and Madison counties, as the economies of these counties either doubled or tripled in size over the period. Some of these counties experienced outsized increases in real GDP in percentage terms in part because their economies are relatively small. In some of these counties as well as others with comparatively large increases in real GDP, economic growth was associated with increases in population, including the counties of Madison, DeSoto, Jackson, and Rankin. However, population growth is not always associated with economic growth, as real GDP was little more than flat in Harrison County from 2001 to 2018, even as its population grew around 8 percent during the period.

The counties with the largest decreases in real GDP from 2001 to 2018 included Issaquena, Quitman, Humphreys, Sharkey, and Coahoma. Like some of the counties that experienced the largest increases in real GDP, most of these counties represent relatively small economies that underwent outsized decreases in percentage terms. Strikingly, the economies of almost all counties in the Delta region contracted over the period, a reflection of the area's persistent economic challenges. Almost all of the counties with economies that contracted over the 2001 to 2018 period either lost population or experienced no gain in population. The largest increase in population among these counties occurred in Tippah County, where the population increased slightly less than 5 percent over the period, growth of less than 0.3 percent per year.



Source: U.S. Bureau of Economic Analysis