



ECONOMY AT A GLANCE

Inside this issue:

Mississippi Leading Index, January 2022	2
National Trends	4
Mississippi Employment Trends	7
Labor Force Participation Rates in Mississippi by County	10

Editor's note: As of the March 2022 issue, all series are indexed to a base year of 2012.

In January the value of the Mississippi Leading Index (MLI) increased 1.2 percent as seen in Figure 1. The value of the MLI for the month was 6.0 percent higher compared to one year earlier.

The value of the Mississippi Coincident Index for January is unavailable until April due to annual revisions by the Philadelphia Federal Reserve.

In its second estimate of the change in U.S. real GDP in the fourth quarter of 2021 the U.S. Bureau of Economic Analysis (BEA) reported an increase of 7.0 percent at a seasonally-adjusted, annualized rate. This estimate was an increase of 0.1 percentage point from the initial estimate.

The increase was the result of upward revisions to nonresidential fixed investment, residential fixed investment, and state and local government spending. These upward revisions were partly offset by downward revisions to consumer spending, exports, and federal government spending. The change in U.S. real GDP for all of 2021 remained an increase of 5.7 percent.

The MLI rebounded in January, mostly due to a large increase in U.S. retail sales. Nevertheless, initial unemployment claims in the state continued to move lower in January. Annual revisions to the employment data were to the up side and January became the sixth consecutive month the state has added jobs. However, uncertainty greatly increased following Russia's invasion of Ukraine, roiling global markets and likely pushing U.S. inflation even higher over the next few months.

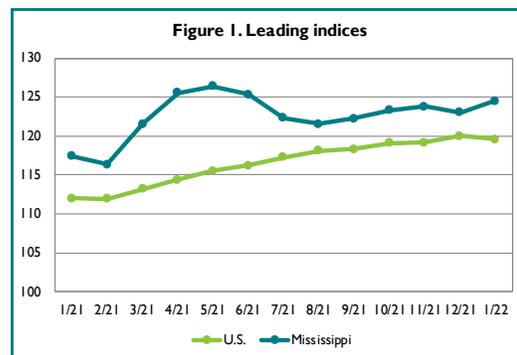
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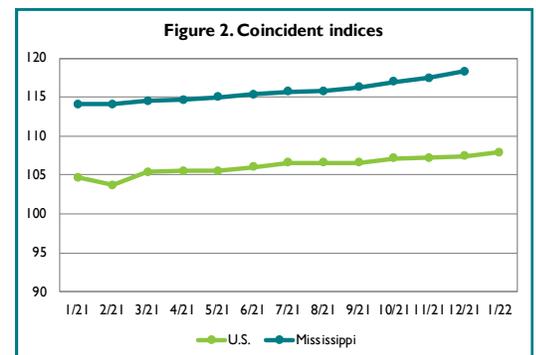
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Sources: University Research Center and The Conference Board



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 2012. 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 2012.

MISSISSIPPI'S BUSINESS**MISSISSIPPI LEADING INDEX, JANUARY 2022**

Figure 3 indicates the value of the **Mississippi Leading Index of Economic Indicators** (MLI) rose 1.2 percent in January. The value of the MLI was 6.0 percent higher for the month compared to one year earlier. Following data revisions, the December value of the MLI was revised up to a decrease of 0.6 percent. Over the last six months the value of the MLI increased 3.5 percent.

In January four of the seven components of the MLI increased in value. The largest contribution for the month came from U.S. retail sales. Each component is discussed below in order of largest to smallest contribution.

U.S. retail sales surged in value by 3.8 percent in January as seen in Figure 4, the largest increase since March 2021. Compared to one year earlier the value of sales for the month was 13.0 percent higher. However, inflation and the ability of firms to raise prices affected the increase. Sales excluding automobiles were 3.3 percent higher in January. The largest gain among all segments for the month was the 14.5 percent increase in sales at Non-store Retailers. Segments that saw decreases in sales in January were Sporting Goods and Hobbies, Gasoline Stations, and Food Service and Drinking Places.

In January the number of seasonally-adjusted **initial unemployment claims** in Mississippi fell 15.1 percent as Figure 5 indicates. Following data revisions it was the third consecutive monthly decrease. Compared to one year earlier the value for the month was 78.6 percent lower. The number of seasonally-adjusted continued unemployment claims in Mississippi decreased 4.5 percent in January as seen in Figure 14 on page 5. The number of continued unemployment claims in Mississippi for the month compared to one year earlier was 78.7 percent lower. The seasonally-adjusted unemployment rate in Mississippi in January decreased 0.1 percentage point from the revised December rate to 4.6 percent as seen in Figure 15 on page 5. Nevertheless, this rate represents the lowest monthly rate in BLS data back to 1976. The January rate was down 2.0 percentage points compared to one year earlier.

The value of the **ISM Index of U.S. Manufacturing Activity** rose 1.7 percent in February as seen in Figure 6 for only the second time in the last five months. Compared to one year earlier the value in February was 3.6 percent lower. The largest increase among the components occurred in New Orders. The only component that decreased was Employment, which declined for the first time since August. The Supplier Deliveries component

increased, which denoted slower delivery times in February. Only the wood products industry reported faster deliveries for the month. The prices paid index decreased slightly for the month. Once again in February aluminum and copper were among the commodities reported with higher prices.

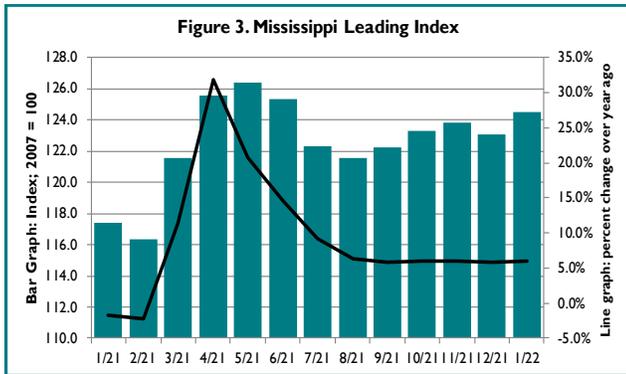
As seen in Figure 7 the value of the **Mississippi Manufacturing Employment Intensity Index** rose 0.3 percent in January, its fourth increase in the last five months. The value for the month was 5.9 percent higher compared to one year earlier. Manufacturing employment in the state increased 0.3 percent in January while the average weekly hours of production employees was essentially unchanged.

The value of **Mississippi residential building permits** (three-month moving average) was essentially unchanged in January as seen in Figure 8. For the month the value was down 2.2 percent compared to one year earlier. The number of units in the state decreased 0.4 percent in January. Compared to one year earlier the number of units in the state for the month was 5.3 percent lower, the eighth consecutive month with a year-over-year decrease in units. The number of privately-owned housing units authorized by building permits in the U.S. in January was up 0.7 percent from the revised December rate. The number of units in the U.S. in January was 0.8 percent higher compared to one year earlier.

Mississippi income tax withholdings (three-month moving average) slipped 0.3 percent in value in January as seen in Figure 9. The value of withholdings was up 3.2 percent in January compared to one year earlier, the largest year-over-year increase since September. Over the last six months the value of income tax withholdings in Mississippi fell 5.9 percent.

Figure 10 indicates the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) fell 2.1 percent in January. It was the seventh monthly decrease in the last eight months. Compared to one year earlier the value in January was 12.5 percent lower. The continued rise in inflation likely was the primary contributor to this most recent decline, although other factors such as the fall in the stock market negatively impacted consumers' outlooks as well. Short-term (one-year) inflation expectations were unchanged in the most recent survey while long-term (five-year) inflation expectations fell slightly.

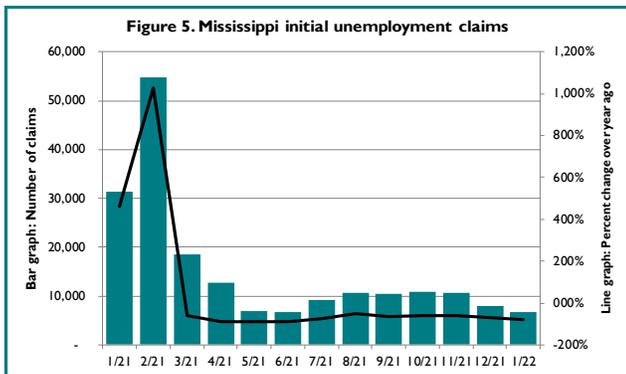
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



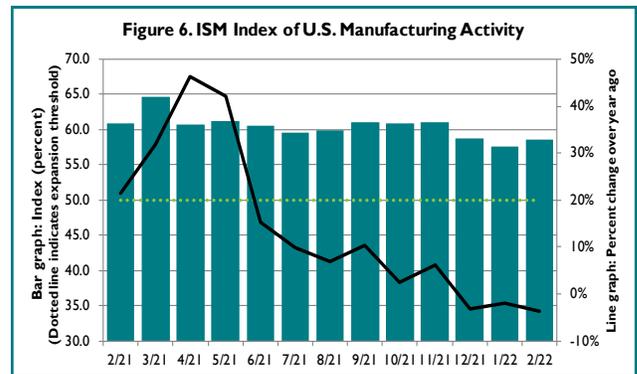
Source: University Research Center



Source: U.S. Bureau of the Census



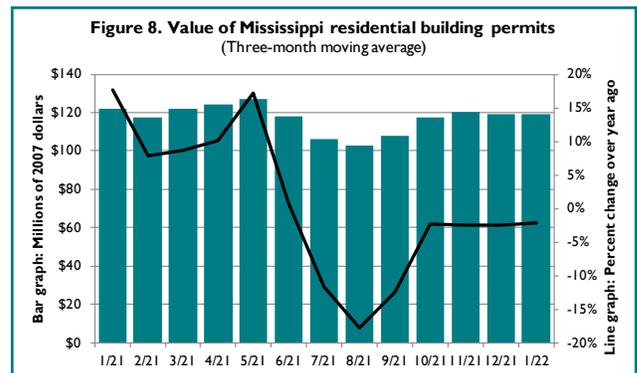
Source: U.S. Department of Labor; seasonally adjusted



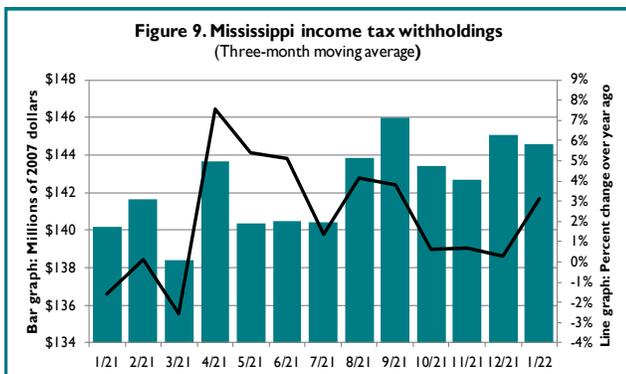
Source: Institute for Supply Management



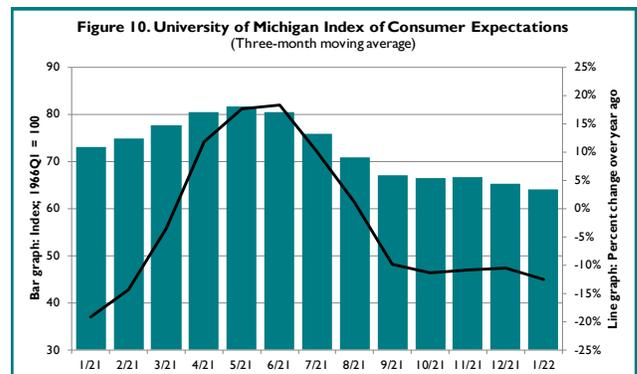
Source: URC using data from U.S. Bureau of Labor Statistics



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



Source: Mississippi Department of Revenue; seasonally adjusted



Source: Thomson Reuters/University of Michigan Surveys of Consumers

MISSISSIPPI'S BUSINESS

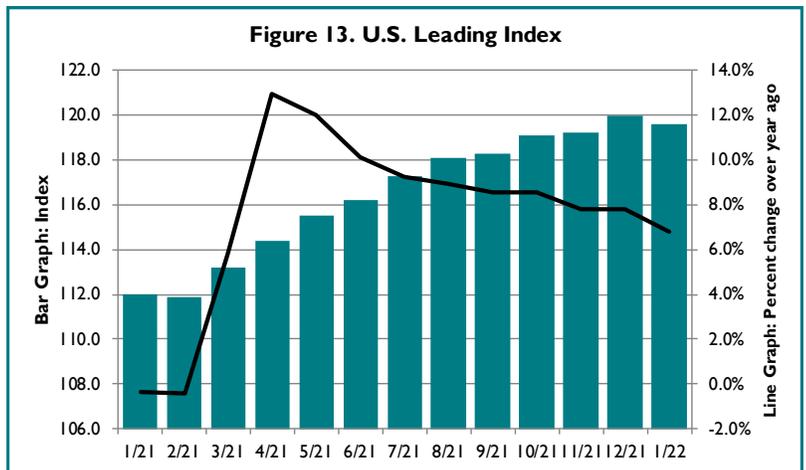
NATIONAL TRENDS

The value of the U.S. Leading Economic Index (LEI) decreased 0.3 percent in January according to The Conference Board as seen in Figure 13, its first decline since February 2021. The value of the LEI was 6.8 percent higher for the month compared to one year earlier. Only six of the ten components of the LEI made positive contributions in January. Average weekly initial claims for unemployment insurance made the largest negative contribution. Over the last six months the value of the LEI increased 2.6 percent.

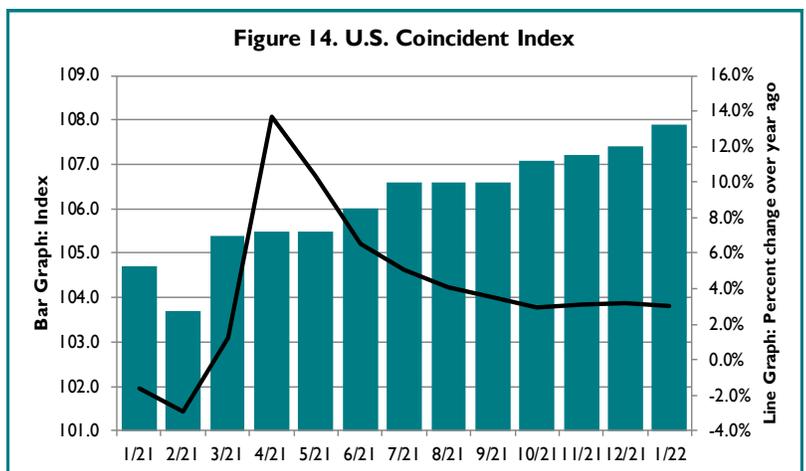
Figure 14 indicates the value of the U.S. Coincident Economic Index (CEI) increased 0.5 percent in January according to The Conference Board. The value of the CEI for the month was up 3.1 percent compared to one year earlier. All four components of the CEI made positive contributions in January. The largest contribution came from industrial production. The value of the CEI rose 1.4 percent over the last six months.

As seen in Figure 15 the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index fell 1.8 percent in January to its lowest level since February 2021. The value of the Index for the month was 2.2 percent higher compared to one year earlier. For the month seven of the ten components decreased and the largest decline was in the “plans to increase inventories” component. The “expect economy to improve” component improved slightly for the second consecutive month, and the “plans to raise prices” component decreased for the second consecutive month as well.

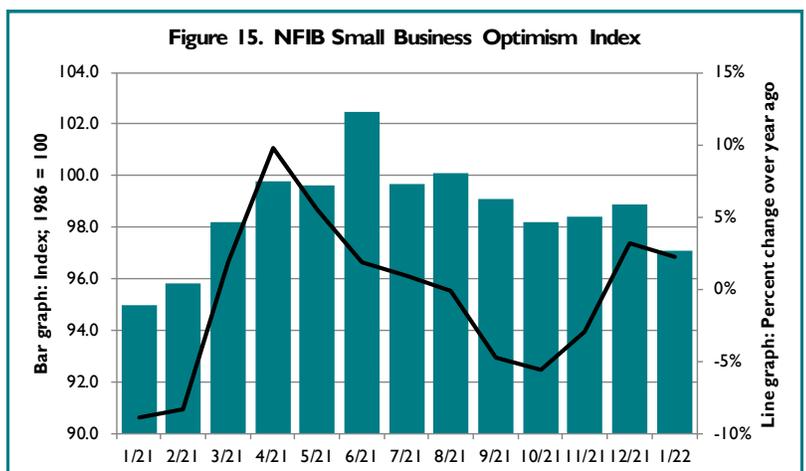
Several Federal Reserve officials publicly stated in the last week of February they intend to support increases in the federal funds rate when the Federal Open Market Committee (FOMC) meets this month. Some analysts had put the odds of an increase of 0.50 basis points at the March meeting around 50 percent, but the uncertainty created by the Russia-Ukraine conflict makes a 0.25 basis point-increase more likely. At the same time, however, the FOMC may act more aggressively with regard to interest rates later in 2022 if the conflict leads to continued growth in the rate of inflation. Inflation was largely expected to peak in the first quarter prior to the start of the conflict.



Source: The Conference Board

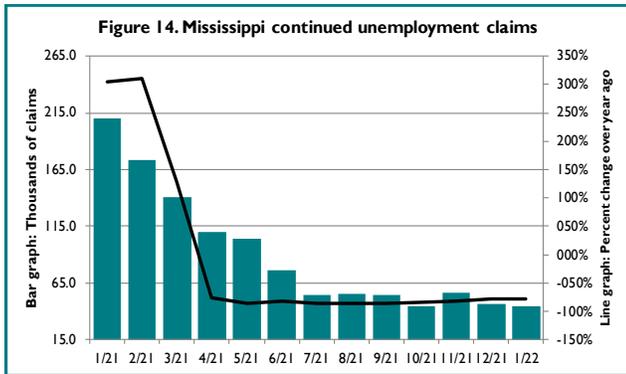


Source: The Conference Board

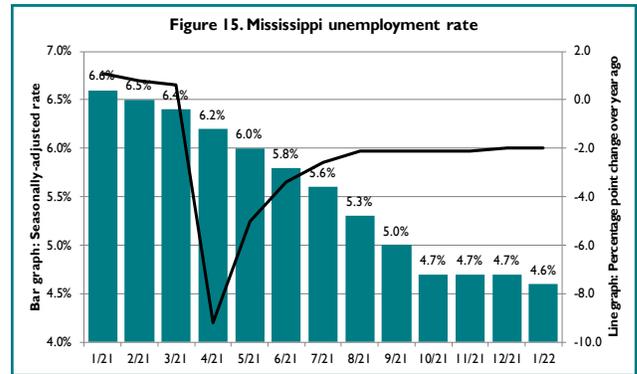


Source: National Federation of Independent Businesses

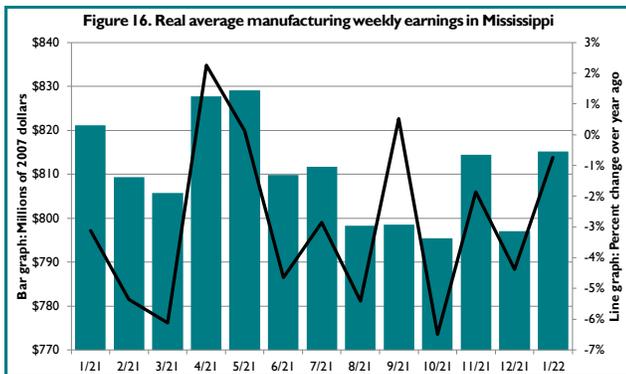
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



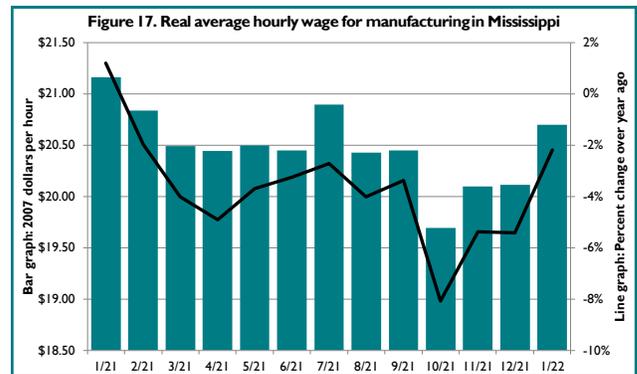
Source: U.S. Department of Labor; seasonally adjusted



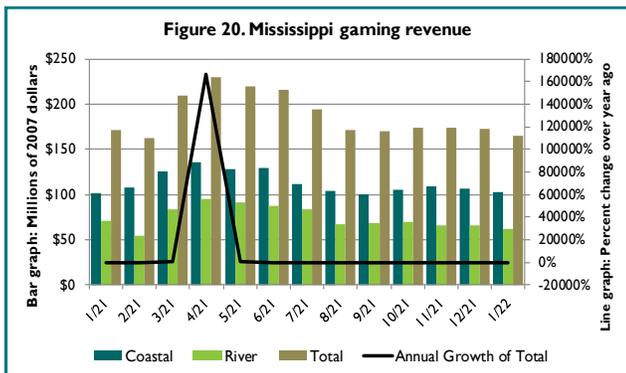
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



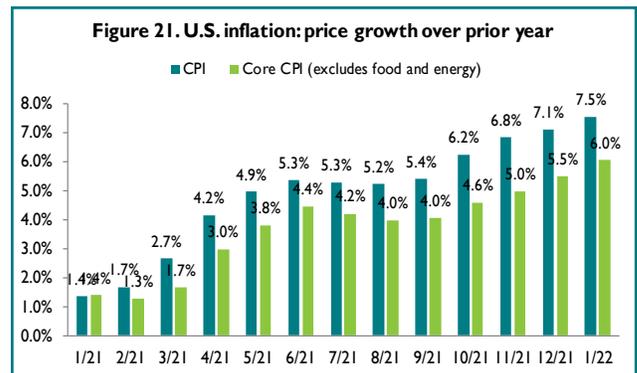
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



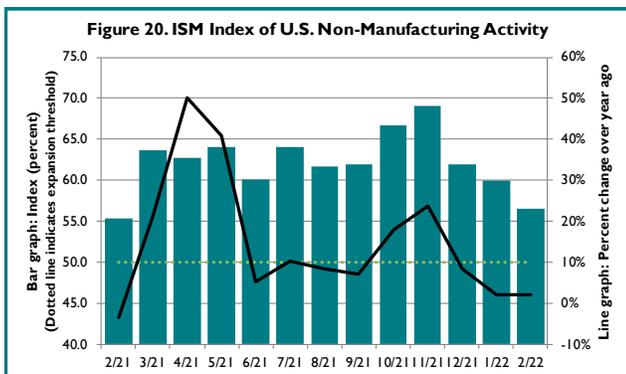
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



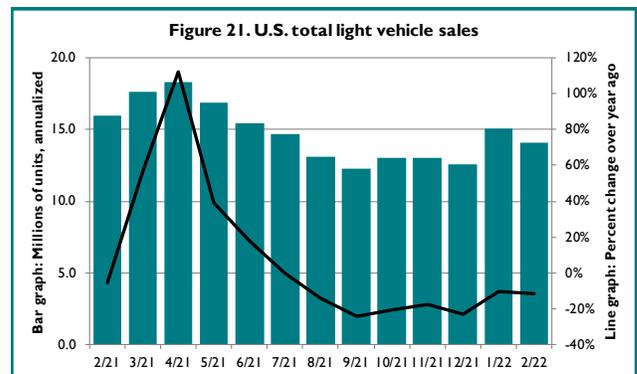
Source: Mississippi Department of Revenue; seasonally adjusted



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



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

MISSISSIPPI'S BUSINESS

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	January	December	January	Percent change from	
	2022	2021	2021	December 2021	January 2021
U.S. Leading Economic Index 2007 = 100. Source: The Conference Board	119.6	120.0	112.0	▼0.3%	▲6.8%
U.S. Coincident Economic Index 2007 = 100. Source: The Conference Board	107.9	107.4	104.7	▲0.5%	▲3.1%
Mississippi Leading Index 2007 = 100. Source: University Research Center	124.5	123.1	117.4	▲1.1%	▲6.0%
Mississippi Coincident Index 2007 = 100. Source: Federal Reserve Bank of Philadelphia	N/A	118.3	114.1	N/A	N/A
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	6,720	7,918	31,337	▼15.1%	▼78.6%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	119.2	119.2	121.9	0.0%	▼2.2%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	144.6	145.1	140.2	▼0.3%	▲3.2%
Mississippi Manufacturing Employment Intensity Index 2007 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	102.6	102.3	96.9	▲0.3%	▲5.9%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	63.9	65.3	73.1	▼2.1%	▼12.5%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	58.6	57.6	60.8	▲1.7%	▼3.6%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	649.8	626.3	575.2	▲3.8%	▲13.0%
U.S. Consumer Price Index (CPI)	122.8	122.0	114.2	▲0.6%	▲7.5%
U.S. Core CPI (excludes food and energy) 2012 = 100. Source: URC using data from Bureau of Labor Statistics	124.7	123.9	117.6	▲0.6%	▲6.0%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	4.6%	4.7%	6.6%	▼0.1	▼2.0
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	44,777	46,888	210,080	▼4.5%	▼78.7%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	56.5	59.9	55.3	▼5.7%	▲2.2%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	3.43%	3.13%	2.72%	▲0.30	▲0.70
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2007 dollars. Source: U.S. Bureau of Labor Statistics	20.70	20.11	21.16	▲2.9%	▼2.2%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2007 dollars. Source: U.S. Bureau of Labor Statistics	815.12	797.00	821.19	▲2.3%	▼0.7%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	97.1	98.9	95.0	▼1.8%	▲2.2%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	14.07	15.03	15.93	▼6.4%	▼11.7%
Gaming revenue	164.65	172.99	171.7	▼4.8%	▼4.1%
Coastal counties	102.66	106.61	101.4	▼3.7%	▲1.3%
River counties Seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	61.99	66.38	70.3	▼6.6%	▼11.9%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI EMPLOYMENT TRENDS

This month the U.S. Bureau of Labor Statistics (BLS) completed its annual benchmark revisions to regional and state employment data. Unlike in previous years these revisions resulted in a modest increase in employment numbers in Mississippi for the previous year. BLS reported total nonfarm employment in Mississippi rose by 27,458 jobs in 2021, a 2.5 percent increase. The gain was the largest annual increase since 1994. In January the state added 2,100 jobs as seen in Table 2, a 0.2 percent increase. Employment was higher by 31,000 jobs compared to January 2021, an increase of 2.8 percent.

According to BLS total nonfarm employment increased in nine states in January and was essentially unchanged in forty-one states and the District of Columbia. California added 53,600 jobs, the most among all states, followed by New York, which added 36,800 jobs, and Pennsylvania, which added 20,000 jobs. The largest percentage increases in employment in January among all states were the 0.6 percent increases in Kansas and Maine.

Employment was higher in forty-six states and the District of Columbia in January compared to one year earlier and was essentially unchanged in four states. California added 1,177,800 jobs over the last twelve months, the most among all states, followed by Texas, which added

687,500 jobs, and Florida, which added 504,000 jobs. Employment increased 10.3 percent in Nevada over the last twelve months as of January, the largest percentage increase among all states.

The Construction sector in Mississippi added 2,100 jobs in January, the largest increase in employment among all sectors. Construction also had the largest percentage increase in employment for the month of 4.5 percent. The next largest increase occurred in Accommodation and Food Services, which added 1,200 jobs for the month. The Professional and Business Services sector lost 1,300 jobs in January, the most among all sectors. The largest percentage decrease in employment for the month was the 1.8 percent decline in Other Services.

The Accommodation and Food Services sector added 8,300 jobs over the last twelve months, the most among all sectors in Mississippi. The largest percentage increase in employment compared to one year earlier as of January occurred in the Construction sector, where employment was 11.4 percent higher. The largest decrease in employment in the last twelve months occurred in Health Care and Social Assistance, which lost 1,200 jobs. This decline was also the largest percentage decrease in employment among all sectors of 0.9 percent.

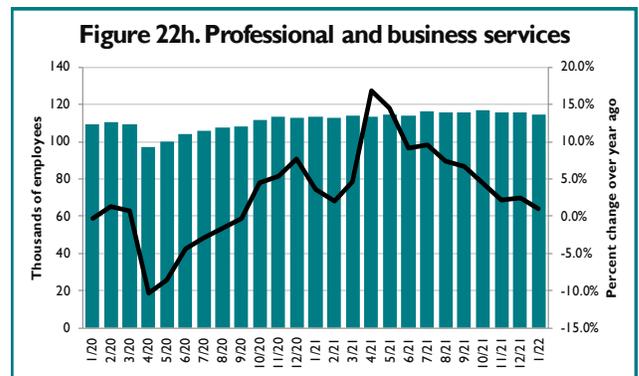
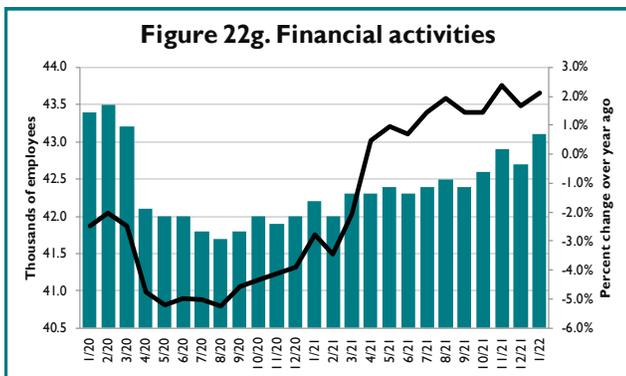
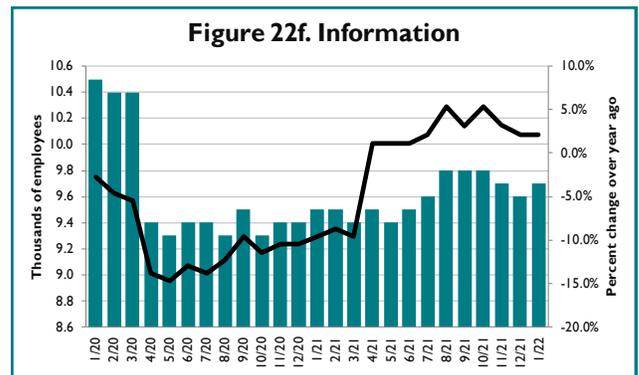
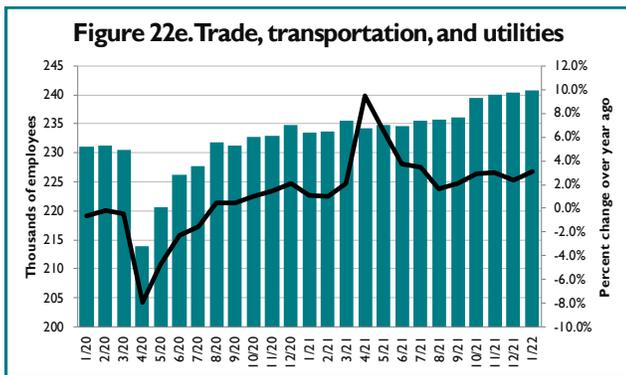
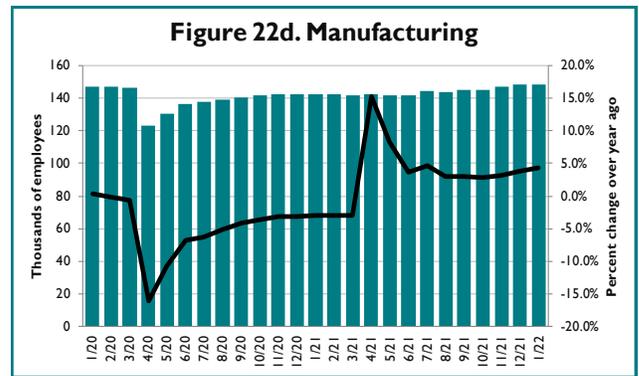
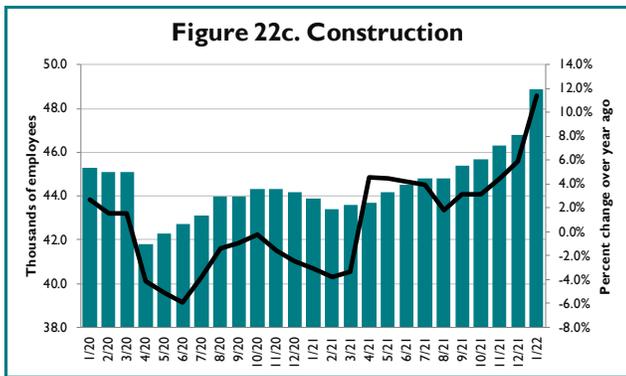
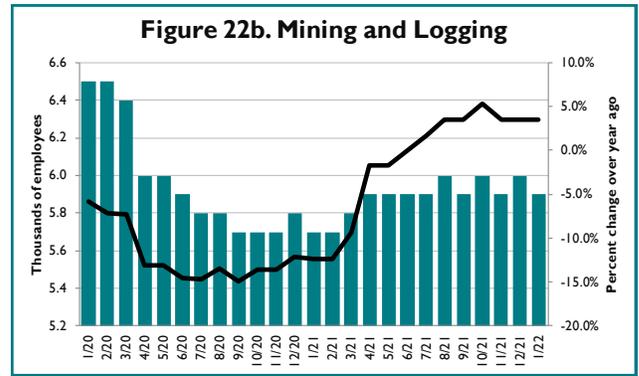
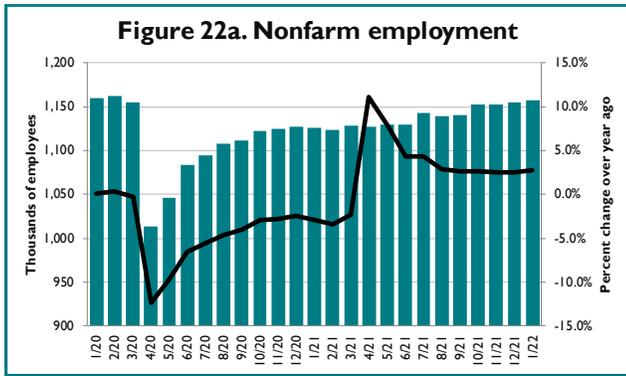
Table 2. Change in Mississippi employment by industry, January 2022

	Relative share of total ^a	January		January 2021	Change from December 2021		Change from January 2021	
		2022	December 2021		Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,157,300	1,155,200	1,126,300	▲2,100	▲0.2%	▲31,000	▲2.8%
Mining and Logging	0.5%	5,900	6,000	5,700	▼100	▼1.7%	▲200	▲3.5%
Construction	4.0%	48,900	46,800	43,900	▲2,100	▲4.5%	▲5,000	▲11.4%
Manufacturing	12.7%	148,600	148,200	142,500	▲400	▲0.3%	▲6,100	▲4.3%
Trade, Transportation & Utilities	20.8%	240,700	240,500	233,500	▲200	▲0.1%	▲7,200	▲3.1%
Retail Trade	12.0%	137,600	137,600	136,000	◀▶0	◀▶0.0%	▲1,600	▲1.2%
Information	0.8%	9,700	9,600	9,500	▲100	▲1.0%	▲200	▲2.1%
Financial Activities	3.7%	43,100	42,700	42,200	▲400	▲0.9%	▲900	▲2.1%
Services	36.9%	425,200	426,200	415,400	▼1,000	▼0.2%	▲9,800	▲2.4%
Professional & Business Services	10.1%	114,400	115,700	113,200	▼1,300	▼1.1%	▲1,200	▲1.1%
Educational Services	1.1%	12,500	12,400	11,600	▲100	▲0.8%	▲900	▲7.8%
Health Care and Social Assistance	11.3%	127,200	127,400	128,400	▼200	▼0.2%	▼1,200	▼0.9%
Arts and Entertainment	0.8%	9,300	9,400	8,600	▼100	▼1.1%	▲700	▲8.1%
Accommodation and Food Services	10.3%	123,200	122,000	114,900	▲1,200	▲1.0%	▲8,300	▲7.2%
Other Services	3.4%	38,600	39,300	38,700	▼700	▼1.8%	▼100	▼0.3%
Government	20.6%	235,200	235,200	233,600	◀▶0	◀▶0.0%	▲1,600	▲0.7%

^aRelative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics, Current Employment Statistics

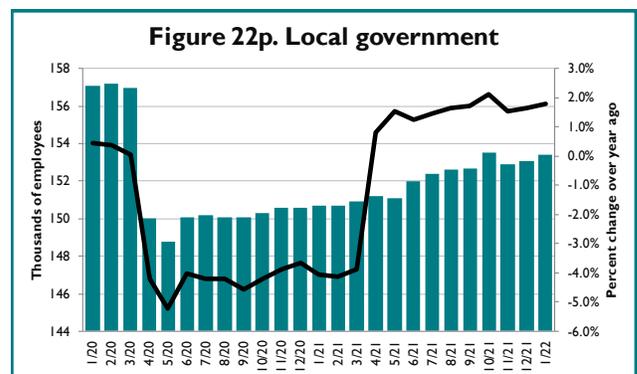
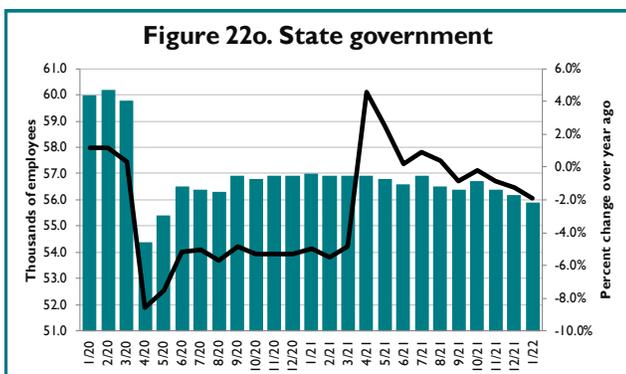
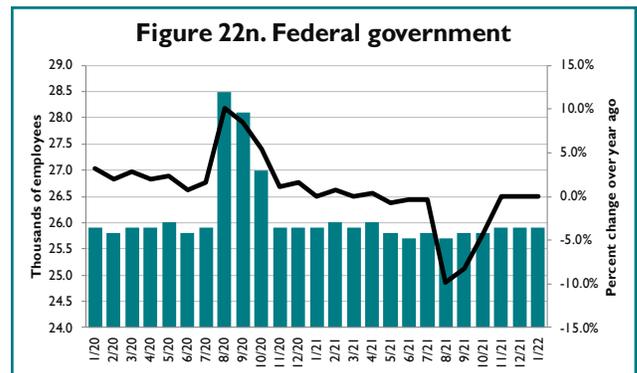
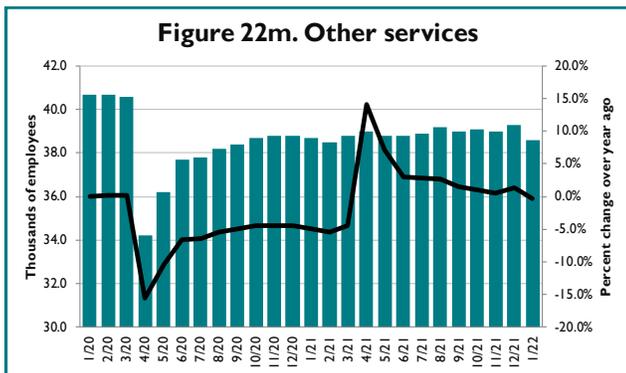
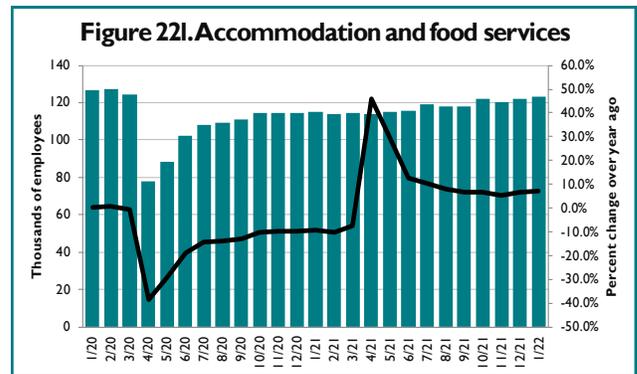
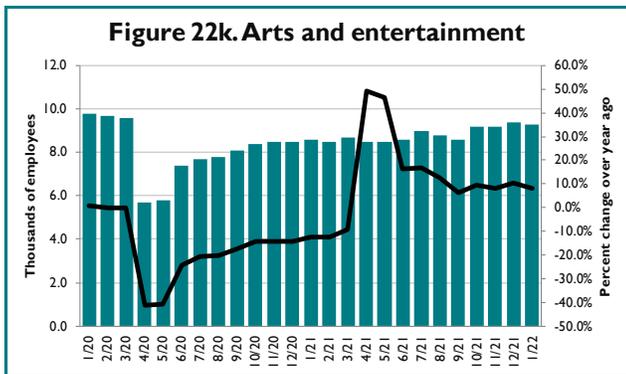
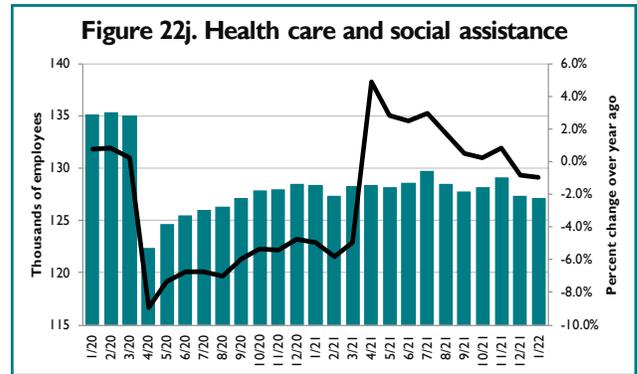
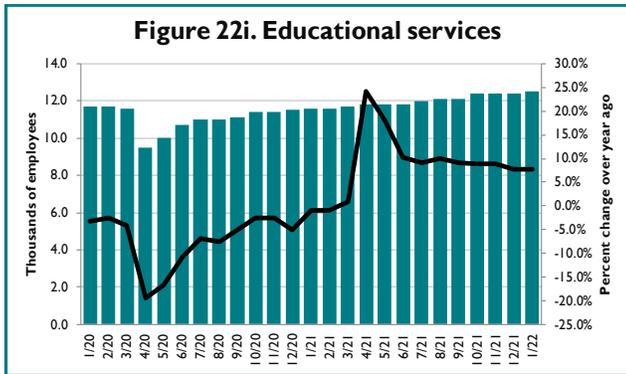
MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



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

