As seen in Figure 1 the value of the Mississippi Leading Index (MLI) rose 2.2 percent in January, its first increase since September. Compared to one year earlier the value of the MLI was down 3.4 percent.

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

U.S. real gross domestic product (GDP) increased 2.7 percent at a seasonally-adjusted, annualized rate in the fourth quarter of 2022 according to the second estimate of the U.S. Bureau of Economic Analysis. This rate represents a decrease of 0.2 percentage point from the initial estimate. The decrease in the second estimate resulted from downward revisions to consumer spending and exports that were partially offset by upward revisions to nonresidential and residential fixed investment. Imports, which reduce the value of real GDP, were revised up. The change in U.S. real GDP for all of 2022 remained an increase of 2.1 percent.

The MLI displayed broad-based strength in January as six of seven indicators made positive contributions. The Index also posted its largest monthly gain in almost two years. The labor market in Mississippi demonstrated resilience in January as initial unemployment claims fell to the lowest level since last May. Moreover, the annual revisions to payroll employment by the Bureau of Labor Statistics were very much to the upside; according to the revised employment data Mississippi added jobs in nine of the last ten months. In its last several monthly forecasts, the firm S&P Global projected the U.S. economy would enter a mild recession in the first half of 2023. However, the unexpected strength of the labor market and the consumer in January now indicate the U.S. economy likely will be relatively flat in the first six months of this year. The risks of recession to the U.S. and state economies remain elevated, however, as the Federal Reserve is expected to raise the federal funds rate target to higher levels than previously thought in an effort to moderate persistently high inflation.

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 workweek 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.
For the first time since September, the value of the Mississippi Leading Index of Economic Indicators (MLI) increased in January. The value rose 2.2 percent for the month as seen in Figure 3, the largest monthly gain in the MLI since April 2021. Compared to one year earlier the value of the MLI in January was 3.4 percent lower. However, the value of the MLI rose 0.6 percent over the last six months.

Six of the seven components of the MLI increased in value in January. The largest contributor for the month was initial unemployment claims. Each component is discussed below in order of largest to smallest contribution.

The number of seasonally-adjusted initial unemployment claims in Mississippi fell 28.7 percent in January as seen in Figure 4. The value for the month was down 23.5 percent compared to one year earlier. The number of seasonally-adjusted continued unemployment claims in Mississippi decreased 2.7 percent in January as seen in Figure 1 on page 5, the first decrease since August. The number of continued unemployment claims in the state was 3.4 percent higher in January compared to one year earlier, the first year-over-year increase since March 2021. As seen in Figure 15 on page 5, the unemployment rate for Mississippi in January was 3.9 percent, a 0.1 percentage point decrease from December. Compared to one year earlier the rate was down 0.2 percentage point for the month.

Following two months of declines the value of U.S. retail sales surged 3.0 percent in January as Figure 5 indicates. Compared to one year earlier retail sales for the month were 6.4 percent higher. No segment saw a decrease in sales in January; only the value of sales at gasoline stations was unchanged. The largest increase in sales among all segments was in Food Service and Drinking Places. The value of sales of Motor Vehicles and Parts had its largest monthly increase in a year.

For the third consecutive month the value of the University of Michigan Index of Consumer Expectations (three-month moving average) increased in January. As seen in Figure 6 the value rose 5.1 percent for the month. Compared to one year earlier the value in January was 2.3 percent lower. An upturn in equity markets and decreases in gasoline prices likely resulted in the improvement in expectations in the most recent survey. Short-term (one-year) inflation expectations increased slightly in the most recent survey while long-term (five-year) inflation expectations were unchanged.

The value of the Mississippi Manufacturing Employment Intensity Index rose 1.2 percent in January, the second consecutive monthly increase following data revisions. As seen in Figure 7 the value for the month was 4.9 percent higher compared to one year earlier, the largest year-over-year increase since September. Both Manufacturing employment in the state and the average weekly hours of production employees in Mississippi increased in January.

Figure 8 indicates the value of Mississippi income tax withholdings (three-month moving average) rose 0.8 percent in January. However, compared to one year earlier the value of withholdings for the month was down 2.3 percent, the second consecutive month with a year-over-year decrease. The value of income tax withholdings in Mississippi declined 1.2 percent over the last six months.

In February the value of the ISM Index of U.S. Manufacturing Activity increased for the first time since May 2022. The value rose 0.6 percent as seen in Figure 9. The value for the month was down 18.6 percent compared to one year earlier. The gain in the Index was entirely due to the increase in the New Orders component, as each of the other components decreased slightly for the month. The prices paid index surged in February to its highest level since September, its second consecutive monthly increase. Prices of electrical and electronic components rose in February as supplies of both remain limited. However, prices of several commodities were reported lower, including aluminum, lumber, and natural gas.

The value of Mississippi residential building permits (three-month moving average) fell in January for the tenth time in the last eleven months. As seen in Figure 10, the value decreased 6.6 percent. For the month the value was 41.9 percent lower compared to one year earlier. The number of units in the state in January declined 2.1 percent. Compared to one year earlier the number of units in the state for the month was 21.7 percent lower. The number of privately-owned housing units authorized by building permits in the U.S. was up 0.1 percent in January from the revised December rate. The number of units in the U.S. in January was down 27.3 percent compared to one year earlier.
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES

Figure 3. Mississippi Leading Index
Source: University Research Center

Figure 4. Mississippi initial unemployment claims
Source: U.S. Department of Labor; seasonally adjusted

Figure 5. U.S. retail sales
Source: U.S. Bureau of the Census; seasonally adjusted

Figure 6. University of Michigan Index of Consumer Expectations
Source: Thomson Reuters/University of Michigan Surveys of Consumers

Figure 7. Mississippi Manufacturing Employment Intensity Index
Source: URC using data from U.S. Bureau of Labor Statistics

Figure 8. Mississippi income tax withholdings
Source: Mississippi Department of Revenue; seasonally adjusted

Figure 9. ISM Index of U.S. Manufacturing Activity
Source: Institute for Supply Management

Figure 10. Value of Mississippi residential building permits
Source: URC using data from U.S. Bureau of Labor Statistics
The Conference Board reported the value of the U.S. Leading Economic Index (LEI) fell 0.3 percent in January as seen in Figure 13, the eleventh consecutive monthly decline. The value in January was down 5.6 percent compared to one year earlier. Four of the ten components of the LEI made negative contributions for the month and one was unchanged. The largest negative contribution came from the ISM New Orders Index. Average weekly manufacturing hours made the largest positive contribution. Over the last six months the value of the LEI decreased 3.6 percent.

As seen in Figure 14 The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) rose 0.2 percent in January. The December value was revised down to no change. The value of the CEI in January was up 1.3 percent compared to one year earlier. All four components of the CEI made positive contributions for the month and the largest contribution came from employees on nonfarm payrolls. The value of the CEI increased 0.7 percent over the last six months.

The value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index rose 0.6 percent in January as seen in Figure 15. Compared to one year earlier the value of the Index for the month was down 7.0 percent. While most responses to the survey were negative in January, answers to labor market questions were generally positive. The “plans to increase employment” and “current job openings components” both increased. The “expect economy to improve” component also increased in January, but remained deep in negative territory.

In Congressional testimony earlier this month, Federal Reserve Chairman Jerome Powell stated the Federal Open Market Committee (FOMC) is “prepared to increase the pace of rate hikes” if warranted by incoming economic data. Both U.S. employment and consumer spending growth in January were much stronger than anticipated. Most analysts now believe the FOMC is likely to raise the federal funds rate target beyond the 5.0 to 5.25 percent range expected earlier this year to potentially the 5.5 to 5.75 percent range.
**MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES**

**Figure 14. Mississippi continued unemployment claims**

Sources: U.S. Department of Labor, URC (seasonal adjustment)

**Figure 15. Mississippi unemployment rate**

Source: U.S. Bureau of Labor Statistics

**Figure 16. Real average manufacturing weekly earnings in Mississippi**

Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)

**Figure 17. Real average hourly wage for manufacturing in Mississippi**

Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)

**Figure 18. Mississippi gaming revenue**

Source: Mississippi Department of Revenue, URC (seasonal adjustment)

**Figure 19. U.S. inflation: price growth over prior year**

Source: U.S. Bureau of Labor Statistics

**Figure 20. ISM Index of U.S. Non-Manufacturing Activity**

Source: Institute for Supply Management

**Figure 21. U.S. total light vehicle sales**

Source: U.S. Bureau of Economic Analysis
**Table 1. Selected Economic Indicators**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>January 2023</th>
<th>December 2022</th>
<th>January 2022</th>
<th>Percent change from December 2022 to January 2022</th>
</tr>
</thead>
</table>
| **U.S. Leading Economic Index**  
2012 = 100. Source: The Conference Board | 110.3        | 110.6         | 116.8        | ▼0.3% ▼5.6%                                      |
| **U.S. Coincident Economic Index**  
2012 = 100. Source: The Conference Board | 109.5        | 109.3         | 108.1        | ▲0.2% ▲1.3%                                      |
| **Mississippi Leading Index**  
2012 = 100. Source: University Research Center | 122.2        | 119.6         | 126.5        | ▲2.2% ▲3.4%                                      |
| **Mississippi Coincident Index**  
2012 = 100. Source: Federal Reserve Bank of Philadelphia | NA           | 120.2         | 118.5        | NA NA                                             |
| **Mississippi initial unemployment claims**  
Seasonally adjusted. Source: U.S. Department of Labor | 4,713         | 6,614         | 6,160        | ▼28.7% ▼23.5%                                   |
| **Value of Mississippi residential building permits**  
Three-month moving average, seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census | 69.5         | 74.4          | 119.6        | ▼6.6% ▼41.9%                                     |
| **Mississippi income tax withholdings**  
Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue | 140.9        | 139.8         | 144.1        | ▲0.8% ▲2.3%                                      |
| **Mississippi Manufacturing Employment Intensity Index**  
2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics | 105.6        | 104.4         | 100.7        | ▲1.2% ▲4.9%                                      |
| **University of Michigan Index of Consumer Expectations**  
Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers | 62.4         | 59.4          | 63.9         | ▲5.1% ▲2.3%                                      |
| **ISM Index of U.S. Manufacturing Activity**  
Advanced one month. Source: Institute for Supply Management | 47.7         | 47.4          | 58.6         | ▲0.6% ▲18.6%                                     |
| **U.S. retail sales**  
Current dollars, in billions. Source: Bureau of the Census | 697.0         | 676.9         | 655.2        | ▲3.0% ▲6.4%                                      |
| **U.S. Consumer Price Index (CPI)**  
1982-84 = 100. Source: URC using data from Bureau of Labor Statistics | 299.2        | 296.8         | 281.1        | ▲0.8% ▲6.4%                                      |
| **U.S. Core CPI (excludes food and energy)**  
1982-84 = 100. Source: URC using data from Bureau of Labor Statistics | 302.0        | 300.1         | 286.0        | ▲0.6% ▲5.6%                                      |
| **Mississippi unemployment rate**  
Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics | 3.9%         | 4.0%          | 4.1%         | ▼0.1 ▼0.2                                       |
| **Mississippi continued unemployment claims**  
Seasonally adjusted. Source: U.S. Department of Labor | 40,923        | 42,075        | 39,564       | ▼2.7% ▼3.4%                                      |
| **ISM Index of U.S. Non-Manufacturing Activity**  
Advanced one month. Source: Institute for Supply Management | 55.1         | 55.2          | 56.5         | ▼0.2% ▼2.5%                                      |
| **U.S. mortgage rates**  
Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation | 6.37%        | 6.74%         | 3.50%        | ▼0.37 ▲2.87                                      |
| **Mississippi average hourly wage for manufacturing**  
| **Mississippi average weekly earnings for manufacturing**  
Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics | 851.29       | 859.50        | 813.88       | ▼1.0% ▲4.6%                                      |
| **NFIB Small Business Optimism Index**  
1986 = 100. Source: National Federation of Independent Businesses | 90.3         | 89.8          | 97.1         | 0.6% ▼7.0%                                       |
| **U.S. total light vehicle sales**  
Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis | 14.89        | 15.88         | 13.71        | ▼6.2% ▲8.5%                                      |
| **Gaming revenue**  
Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue | 163.38       | 162.99        | 165.7        | ▲0.2% ▼1.4%                                      |
| **Coastal counties**  
Source: U.S. Bureau of Economic Analysis | 106.86       | 96.80         | 100.6        | ▲10.4% ▲6.3%                                     |
| **River counties**  
Source: U.S. Bureau of Economic Analysis | 56.53        | 66.19         | 65.1         | ▼14.6% ▼13.2%                                   |
**Mississippi Employment Trends**

The U.S. Bureau of Labor Statistics (BLS) completed its annual benchmark revisions to regional and state employment data this month, and Mississippi employment experienced substantial upward revisions. BLS reported the state added 27,158 jobs in 2022, a 2.4 percent increase. Mississippi added 3,300 jobs in January according to BLS as seen in Table 2, an increase of 0.3 percent. Employment in the state in January was higher by 21,600 jobs compared to one year earlier, a gain of 1.9 percent.

BLS reported total nonfarm employment increased in twenty states in January and was essentially unchanged in thirty states and the District of Columbia. California added 96,700 jobs for the month, the largest percent increase among all states. Employment rose 0.7 percent in Arizona and Tennessee, the largest percent increases among all states.

Employment increased in forty-seven states over the past twelve months as of January and was essentially unchanged in three states and the District of Columbia according to BLS. Texas added 654,100 jobs over the past twelve months, the largest increase among all states. Employment rose 6.0 percent in Nevada over the past twelve months, the largest percentage increase among all states.

The largest increase in employment among all sectors in Mississippi in January occurred in Manufacturing, which added 1,300 jobs, a 0.8 percent gain. Employment in the Mining and Logging sector rose 3.3 percent for the month, the largest percentage increase in employment among all sectors and a gain of 200 jobs. The largest decrease in employment among all sectors in the state in January occurred in the Retail Trade subsector, which lost 400 jobs. The largest percentage decreases in employment among all sectors in the state occurred in Financial Activities and Other Services, where employment fell 0.5 percent. Construction sector employment was unchanged in January.

The Health Care and Social Assistance sector added 5,600 jobs over the past twelve months as of January, the most among all sectors in the state and a 4.4 percent increase. Employment in the Educational Services sector rose 11.4 percent over the past twelve months, the largest percentage increase in employment among all sectors in the state and an addition of 1,400 jobs. The only sector in Mississippi that lost jobs over the past twelve months as of January was Construction. Employment in the sector fell by 900 jobs, a 1.9 percent decrease. Employment in Arts and Entertainment and the Retail Trade sectors in the state was unchanged over the past twelve months.

### Table 2. Change in Mississippi employment by industry, January 2023

<table>
<thead>
<tr>
<th>Industry</th>
<th>Relative share of total</th>
<th>January 2023</th>
<th>December 2022</th>
<th>January 2022</th>
<th>Change from December 2022 Level</th>
<th>Change from January 2022 Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Nonfarm</td>
<td>100.0%</td>
<td>1,177,600</td>
<td>1,174,300</td>
<td>1,156,000</td>
<td>▲ 3,300 ▲ 0.3% ▲ 21,600 ▲ 1.9%</td>
<td></td>
</tr>
<tr>
<td>Mining and Logging</td>
<td>0.5%</td>
<td>6,300</td>
<td>6,100</td>
<td>5,900</td>
<td>▲ 200 ▲ 3.3% ▲ 400 ▲ 6.8%</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>4.1%</td>
<td>46,900</td>
<td>46,900</td>
<td>47,800</td>
<td>◀ 0 ◀ 0.0% ▼ 900 ▼ 1.9%</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.9%</td>
<td>149,600</td>
<td>148,400</td>
<td>146,200</td>
<td>▲ 1,200 ▲ 0.8% ▲ 3,400 ▲ 2.3%</td>
<td></td>
</tr>
<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>20.6%</td>
<td>246,500</td>
<td>245,800</td>
<td>241,200</td>
<td>▲ 700 ▲ 0.3% ▲ 5,300 ▲ 2.2%</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>11.8%</td>
<td>139,200</td>
<td>139,600</td>
<td>139,200</td>
<td>▼ 400 ▼ 0.3% ◀ 0 ◀ 0.0%</td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td>0.8%</td>
<td>10,400</td>
<td>10,500</td>
<td>10,100</td>
<td>▼ 100 ▼ 1.0% ▼ 300 ▼ 3.0%</td>
<td></td>
</tr>
<tr>
<td>Financial Activities</td>
<td>3.8%</td>
<td>44,200</td>
<td>44,400</td>
<td>43,700</td>
<td>▼ 200 ▼ 0.5% ▼ 500 ▼ 1.1%</td>
<td></td>
</tr>
<tr>
<td>Services</td>
<td>37.0%</td>
<td>440,300</td>
<td>439,000</td>
<td>428,000</td>
<td>▲ 1,300 ▲ 0.3% ▲ 12,300 ▲ 2.9%</td>
<td></td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>10.0%</td>
<td>119,100</td>
<td>118,000</td>
<td>117,700</td>
<td>▲ 100 ▲ 0.9% ▲ 1,400 ▲ 1.2%</td>
<td></td>
</tr>
<tr>
<td>Educational Services</td>
<td>1.1%</td>
<td>13,700</td>
<td>13,600</td>
<td>12,300</td>
<td>▲ 100 ▲ 0.7% ▲ 1,400 ▲ 11.4%</td>
<td></td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>11.1%</td>
<td>134,100</td>
<td>134,000</td>
<td>128,500</td>
<td>▲ 100 ▲ 0.1% ▲ 5,600 ▲ 4.4%</td>
<td></td>
</tr>
<tr>
<td>Arts and Entertainment</td>
<td>0.8%</td>
<td>9,100</td>
<td>9,000</td>
<td>9,100</td>
<td>▲ 100 ▲ 1.1% ◀ 0 ◀ 0.0%</td>
<td></td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>10.6%</td>
<td>124,700</td>
<td>124,600</td>
<td>121,100</td>
<td>▲ 100 ▲ 0.1% ▲ 3,600 ▲ 3.0%</td>
<td></td>
</tr>
<tr>
<td>Other Services</td>
<td>3.3%</td>
<td>39,600</td>
<td>39,800</td>
<td>39,300</td>
<td>▼ 200 ▼ 0.5% ▼ 300 ▼ 0.8%</td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>20.3%</td>
<td>233,400</td>
<td>233,200</td>
<td>233,100</td>
<td>▲ 200 ▲ 0.1% ▲ 300 ▲ 0.1%</td>
<td></td>
</tr>
</tbody>
</table>

*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

Figure 22a. Nonfarm employment

Figure 22b. Mining and Logging

Figure 22c. Construction

Figure 22d. Manufacturing

Figure 22e. Trade, transportation, and utilities

Figure 22f. Information

Figure 22g. Financial activities

Figure 22h. Professional and business services
MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted
Labor Force Participation Rate in Mississippi by County in 2021

The U.S. Bureau of Labor Statistics (BLS) reports the labor force participation rate (LFPR) each month and annually for the U.S. and the fifty states. However, BLS does not report the rate at a county level; the Census Bureau is the source for the LFPR for counties. The LFPR is defined as the number of people in the labor force as a percentage of the civilian noninstitutionalized population. In other words, the rate is the percentage of the population age sixteen and over that is currently employed or actively looking for a job.

Figure 23 depicts the LFPR in all counties in Mississippi for 2021, the most recent year available. The LFPR for all of Mississippi in 2021 was 55.0 percent, the next-to-lowest rate among all states. In 2021 the LFPR across counties ranged from a low of 19.3 percent in Issaquena County to a high of 67.7 percent in DeSoto County. The LFPR was higher than the rate for Mississippi in a total of 29 counties in 2021. This group of counties makes up more than one third of all counties in the state and includes some of the most populous counties such as Hinds, Harrison, DeSoto, Jackson, and Rankin. Eight counties in Mississippi had rates higher than the U.S. LFPR of 61.7 percent in 2021: DeSoto, Forrest, Harrison, Lamar, Lee, Madison, Rankin, and Tunica.

In 2021 the LFPR was less than 50.0 percent in 19 counties in Mississippi, which means in these counties a majority of the population age 16 and older neither worked nor looked for work. Additionally, both Greene County and Issaquena County had LFPRs of less than one third in 2021, which means more than two thirds of the working age population in these counties neither worked nor looked for work.

Source: U.S. Census Bureau, American Community Survey.