

MISSISSIPPI'S BUSINESS

VOLUME 82, ISSUE 4 APRIL 2024

A Publication of the University Research Center, Mississippi Institutions of Higher Learning

ECONOMY AT A GLANCE

Figure 1 indicates the value of the Mississippi Leading Index (MLI) increased 1.4 percent in February. Compared to one year earlier the value of the MLI for the month was up 3.5 percent.

The value of the Mississippi Coincident Index (MCI) rose 0.2 percent in February. Compared to one year ago the value for the month was 1.6 percent higher.

According to the third estimate of the U.S. Bureau of Economic Analysis (BEA), U.S. gross domestic product (GDP) increased at a seasonally-adjusted, annualized rate of 3.4 percent in the fourth quar-

ter of 2023. This rate represents an increase of 0.2 percentage point from the second estimate. The increase to the third estimate resulted from upward revisions to consumer spending, nonresidential fixed investment, and state and local government spending, which were partly offset by downward revisions to private inventory investment and exports. The change in U.S. real GDP for all of 2023 remained an increase of 2.5 percent.

The MLI climbed again in February, its the third consecutive monthly increase. Gains were widespread as the Mississippi Manufacturing Employment

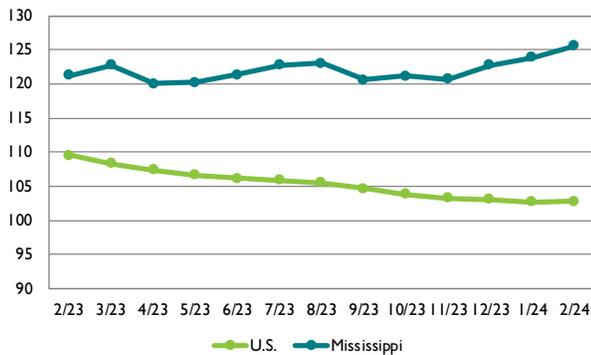
Intensity Index was the only component to decrease for the month. Income tax withholdings posted a solid gain despite ongoing tax cuts; however, March tends to be a strong month for withholdings. Initial and continued unemployment claims remain relatively low. However, employment in the state lacks momentum, weighed down by weak manufacturing employment. A recession does not appear to be on the horizon for either the national or state economies, but the relative weakness in the manufacturing sector will lead to less growth in the Mississippi economy compared to the U.S. in the near term.

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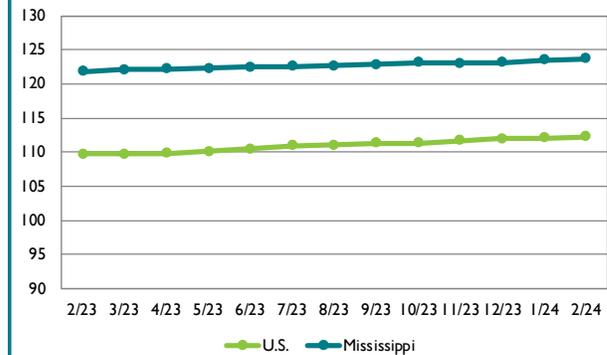
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Figure 1. Leading indices



Sources: University Research Center and The Conference Board

Figure 2. Coincident indices



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 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.

MISSISSIPPI LEADING INDEX, FEBRUARY 2024

Figure 3 indicates the value of the **Mississippi Leading Index of Economic Indicators (MLI)** rose 1.4 percent in February to its highest level since April 2022. The value of the MLI for the month compared to one year earlier was up 3.5 percent. Over the last six months the value of the MLI increased 2.0 percent. The January value of the MLI was revised down 0.2 percent following data revisions.

Six of the seven components of the MLI increased in value in February, led by the ISM Manufacturing Index. The Mississippi Manufacturing Employment Intensity Index made the only negative contribution. Each component is discussed below in order of largest to smallest contribution.

The value of the **ISM Index of U.S. Manufacturing Activity** increased 5.2 percent in March as seen in Figure 4. Compared to one year earlier, the value for the month was up 8.2 percent. Notably, the monthly value exceeded the expansion threshold of 50.0 for the first time since September 2022. The Production component had the largest increase among all components in March. The only component that decreased in value was Supplier Deliveries. The prices paid index rose 3.3 percentage points for the month to its highest level since July 2022. Commodities reported up in price in March included aluminum, crude oil, and gasoline; commodities reported with decreases in prices included copper, steel, and natural gas.

Figure 5 indicates the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) realized its fourth consecutive monthly gain in February. The value rose 4.6 percent

for the month to its highest level since June 2021. Compared to one year earlier the value in February was 23.3 percent higher. Despite gasoline prices edging up, consumers continue to be more optimistic about inflation. However, given current fundamentals and geopolitical conditions, no clear stimulus for more increases in expectations is apparent.

As seen in Figure 6 the value of **Mississippi residential building permits** (three-month moving average) surged 6.3 percent in February, the largest monthly gain since March 2023. Compared to one year earlier the value for the month was 32.3 percent higher, the largest year-over-year increase since March 2017. The number of units in the state rose 4.5 percent in February. Compared to one year earlier the number of units in the state was up 5.5 percent for the month. The number of privately-owned housing units authorized by building permits in the U.S. rose 1.9 percent in February from the revised January rate. The number of units in the U.S. was 2.4 percent higher in February compared to one year earlier.

The number of seasonally-adjusted **initial unemployment claims** in Mississippi decreased in February as seen in Figure 7. The value fell 10.9 percent for the month to its lowest level since July 2023. Compared to one year earlier the value in February was up 20.1 percent. The number of seasonally-adjusted continued unemployment claims in Mississippi also decreased in February as seen in Figure 16 on page 6. The value fell 7.3 percent for the month. The number of continued unemployment claims in the state for the month was 15.8 percent higher compared to one year earlier. The unemployment rate in

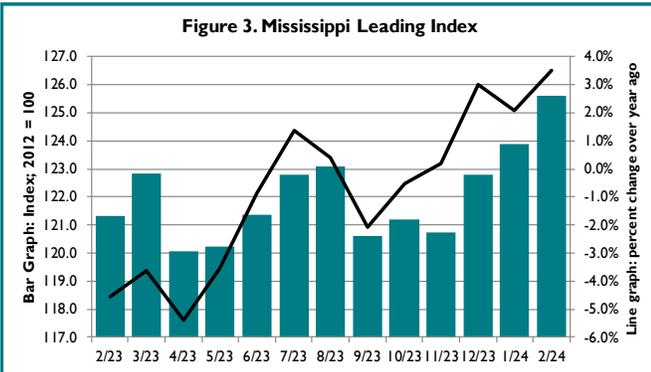
Mississippi decreased 0.1 percentage point in February to 3.1 percent as seen in Figure 17 on page 6. The rate was 0.2 percentage point lower compared to one year earlier.

Mississippi income tax withholdings (three-month moving average) increased in value by 0.9 percent in February as seen in Figure 8. The monthly gain was the largest since October 2023. The value of withholdings in February was down 3.2 percent compared to one year earlier. Over the last six months the value of income tax withholdings in Mississippi decreased 1.4 percent.

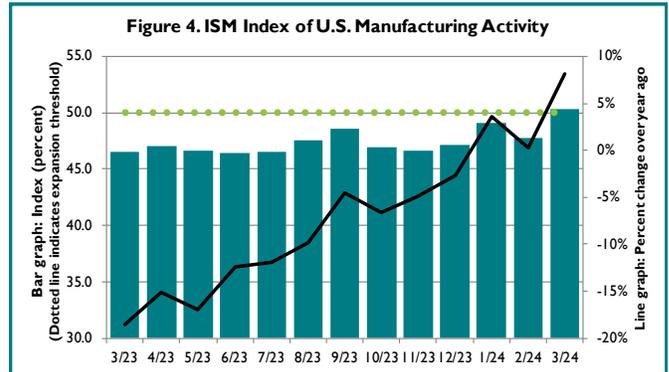
The value of **U.S. retail sales** rose 0.6 percent in February as seen in Figure 9. The value of January sales was revised down to a decrease of 1.1 percent. Compared to one year earlier the value of retail sales in February was up 1.5 percent. Sales excluding automobiles and gasoline were 0.3 percent higher in February. The largest increases in sales among all segments occurred in Building Materials, Motor Vehicles and Parts, and Electronics and Appliances. Sales of Furniture and Home Furnishings had the largest decrease for the month among all segments. Sales at Gasoline Stations increased for the first time since September 2023.

In February the value of the **Mississippi Manufacturing Employment Intensity Index** decreased 3.6 percent as seen in Figure 10. February marked the fourth consecutive monthly decrease in the value of the Index. Compared to one year earlier the value for the month was 3.8 percent lower. Both Manufacturing employment in the state and the average weekly hours of production employees fell in February, which resulted in the decrease in the value of the Index.

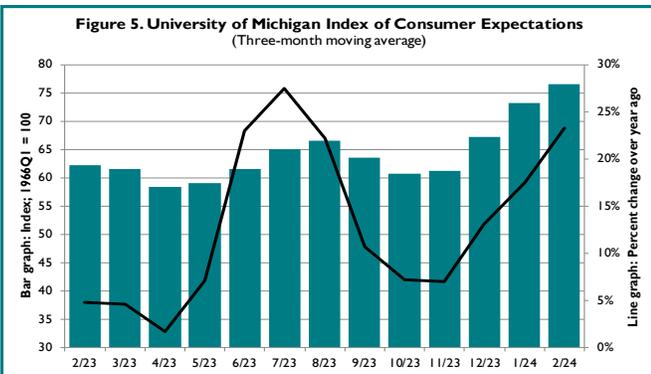
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



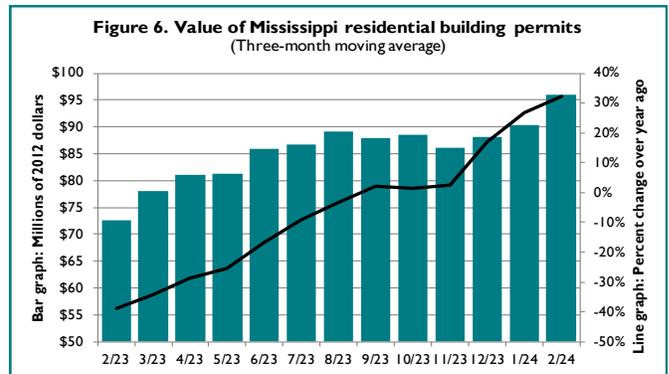
Source: University Research Center



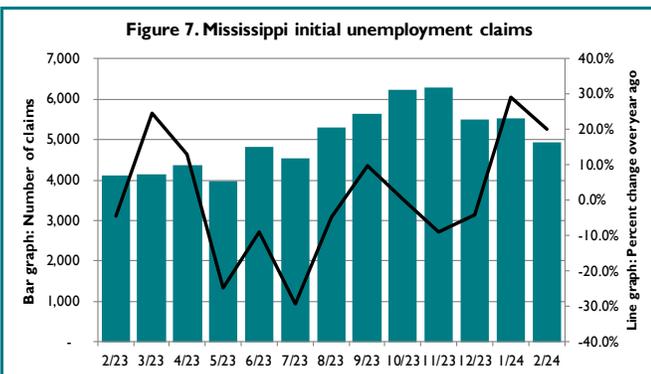
Source: Institute for Supply Management



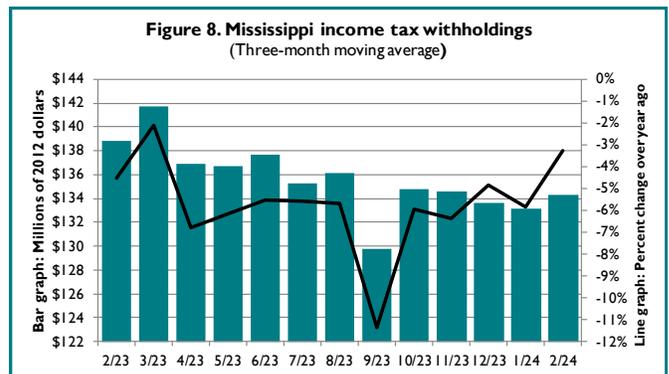
Source: Thomson Reuters/University of Michigan Surveys of Consumers



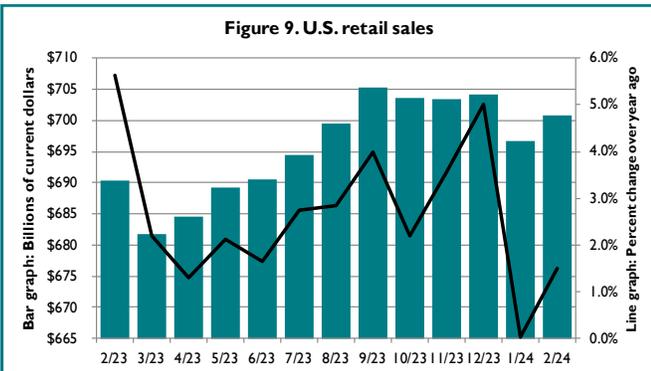
Source: URC using data from U.S. Bureau of Labor Statistics



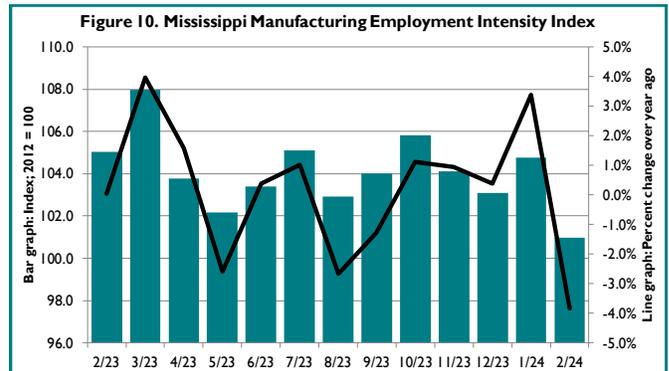
Source: U.S. Department of Labor; seasonally adjusted



Source: Mississippi Department of Revenue; seasonally adjusted



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



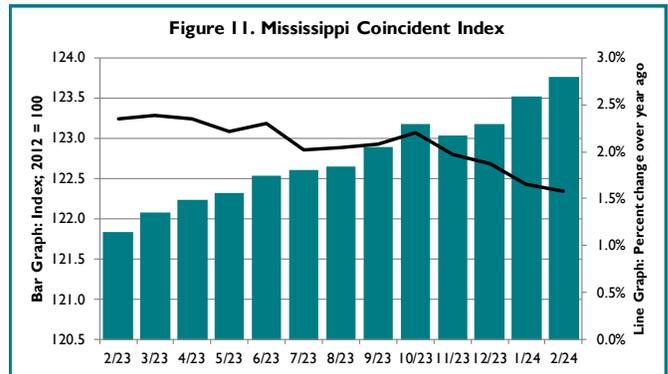
Source: URC using data from U.S. Bureau of Labor Statistics

MISSISSIPPI COINCIDENT INDEX, FEBRUARY 2024

Figure 11 indicates the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** rose 0.2 percent in February according to the Federal Reserve Bank of Philadelphia. The value of the MCI for the month was 1.6 percent higher compared to one year earlier. The January value of the MCI increased 0.3 percent.

The Federal Reserve Bank of Philadelphia reported the values of the coincident indices increased in forty-one states over the past three months. The value of the coincident index increased 1.2 percent over the last three months in Minnesota, the largest gain among all states. In fifteen states the values of coinci-

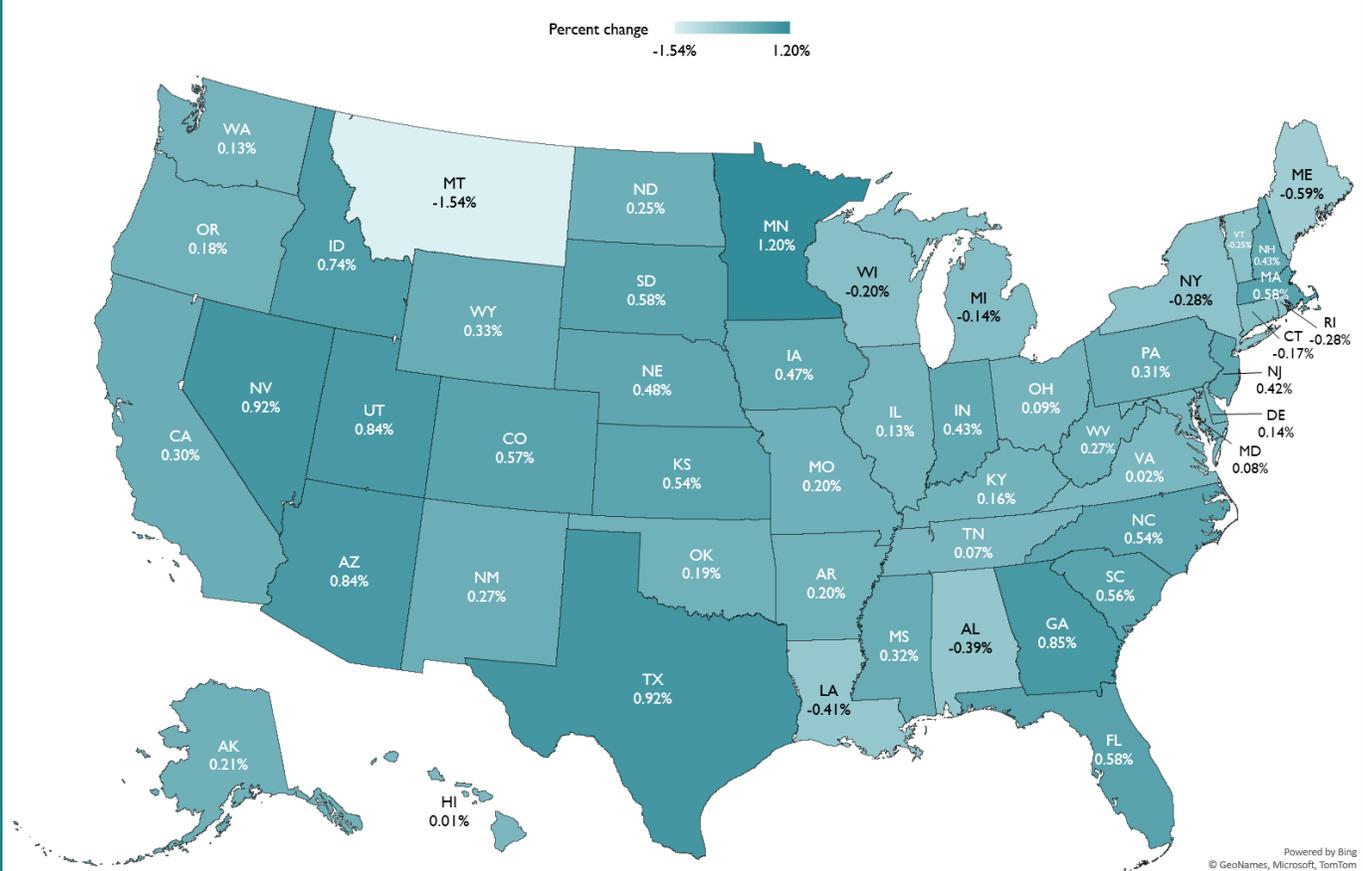
dent indices rose more than 0.5 percent in February compared to November. Mississippi was one of twenty-six states where the values of coincident indices increased less than 0.5 percent over the last three months. In eight states the values of coincident indices decreased between 0.0 and 0.5 percent in February compared to November. The values of the coincident indices decreased more than 0.5 percent over the last three



Source: Federal Reserve Bank of Philadelphia

months in two states, Maine and Montana. The largest decrease in the value of a coincident index over the last three months occurred in Montana, where the value fell more than 1.5 percent.

Figure 12. Three-month growth in the coincident index of economic indicators, February 2024



Source: Federal Reserve Bank of Philadelphia

NATIONAL TRENDS

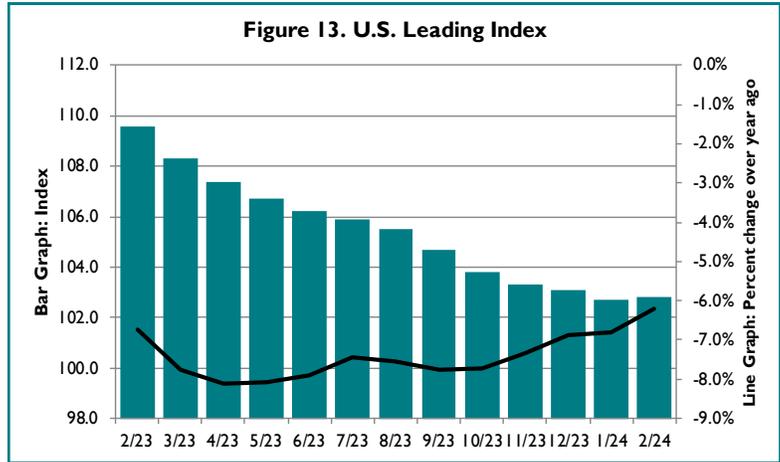
For the first time since April 2022, the value of the U.S. Leading Economic Index (LEI) rose in February. According to The Conference Board the value increased 0.1 percent for the month as seen in Figure 13. The value for the month was down 6.2 percent compared to one year earlier. Seven of the ten components of the LEI made positive contributions in February. Average weekly manufacturing hours made the largest positive contribution while the interest rate spread made the largest negative contribution. Over the last six months the value of the LEI fell 2.6 percent.

The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) increased 0.2 percent in February as seen in Figure 14. Compared to one year earlier the value of the CEI for the month was 2.4 percent higher. All four components of the CEI made positive contributions in February and personal income less transfer payments made the largest positive contribution. The value of the CEI rose 1.1 percent over the last six months.

The value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index decreased in February as seen in Figure 15, its sixth decline in the last seven months. The value fell 0.6 percent to its lowest level since May 2023. Compared to one year earlier the value of the Index in February was 1.7 percent lower. Seven of the ten components of the Index decreased in February, and the largest decrease was in the “plans to increase inventories” component. The net share of respondents with plans to increase prices fell to its lowest level since September.

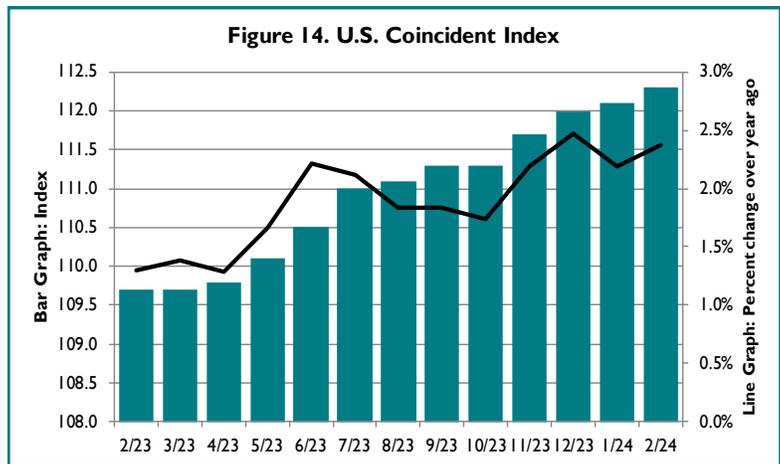
The Federal Open Market Committee (FOMC) kept the federal funds rate target in a range between 5.25 and 5.5 percent for a fifth consecutive meeting in March. Federal Reserve Chair Jerome Powell noted recent data “haven’t really changed the overall story, which is that of inflation moving down gradually on a sometimes-bumpy road toward 2%.” Notably, a majority of FOMC members continued to project three reductions in the rate target will occur in 2024. Most analysts continue to expect a first rate cut of 25 basis points will occur in June.

Figure 13. U.S. Leading Index



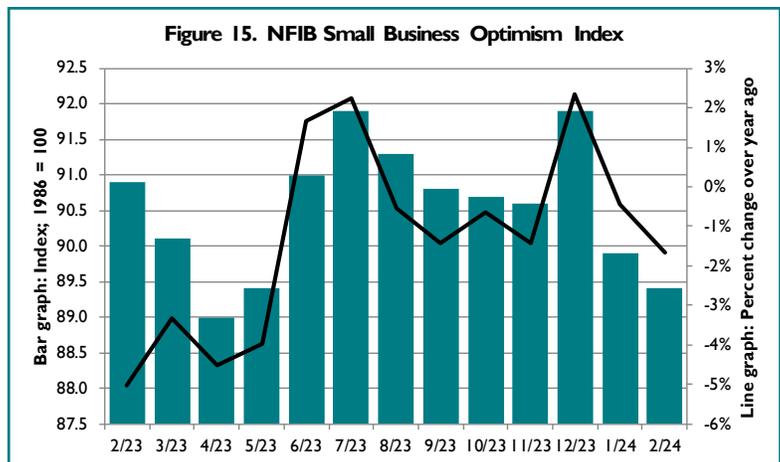
Source: The Conference Board

Figure 14. U.S. Coincident Index



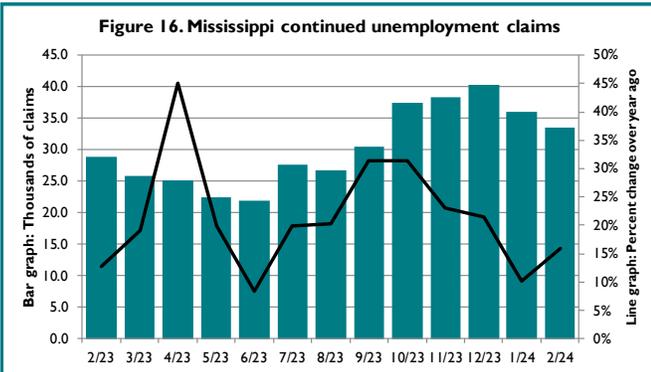
Source: The Conference Board

Figure 15. NFIB Small Business Optimism Index

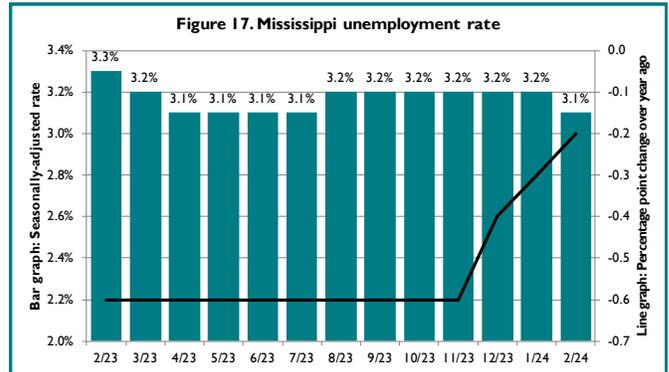


Source: National Federation of Independent Businesses

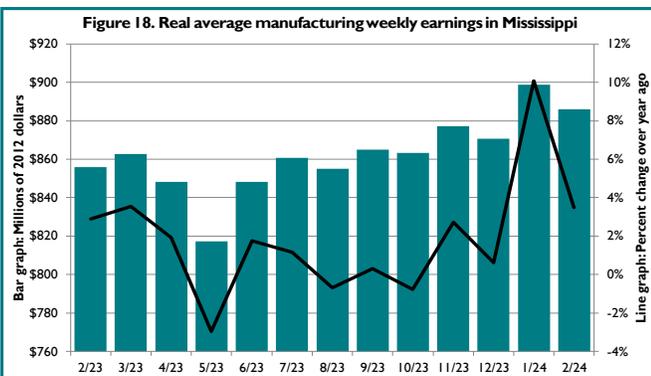
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



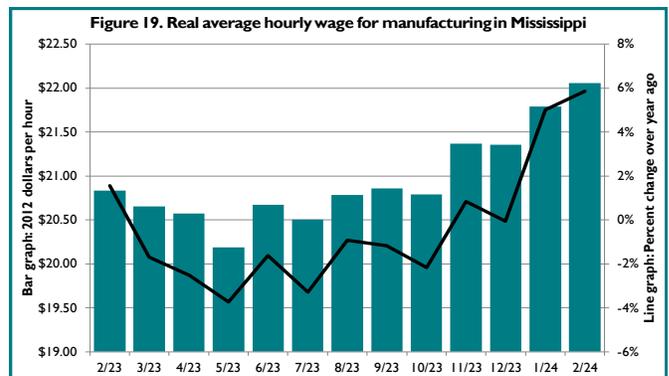
Sources: U.S. Department of Labor, URC (seasonal adjustment)



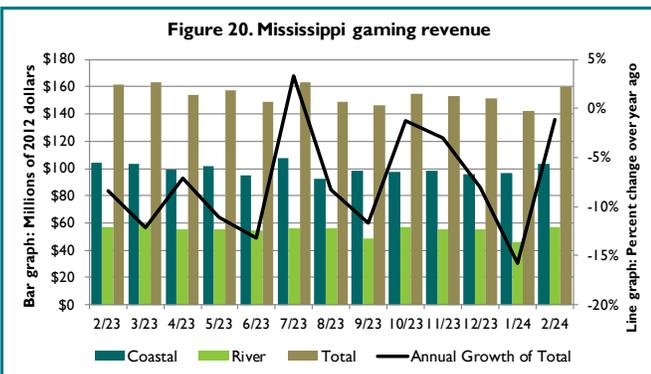
Source: U.S. Bureau of Labor Statistics



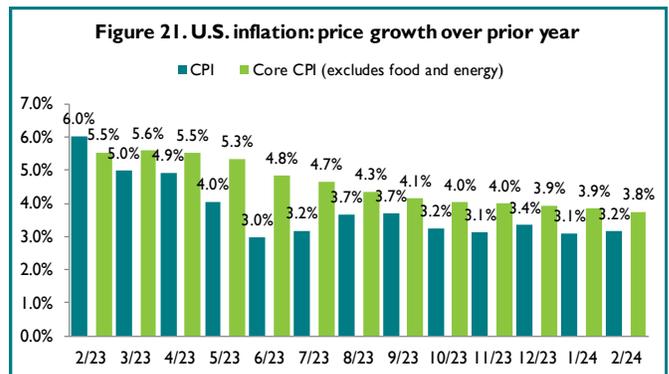
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



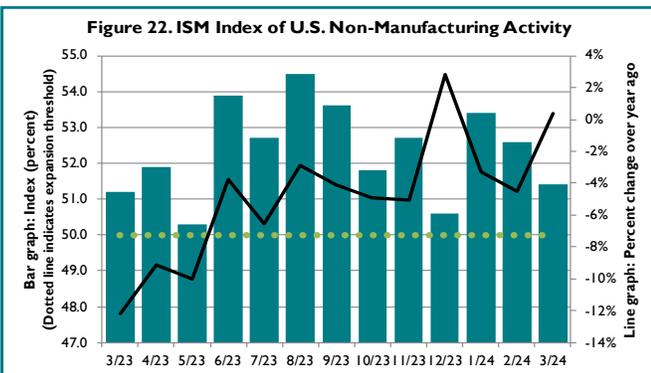
Sources: U.S. Bureau of Labor Statistics, URC (seasonal adjustment)



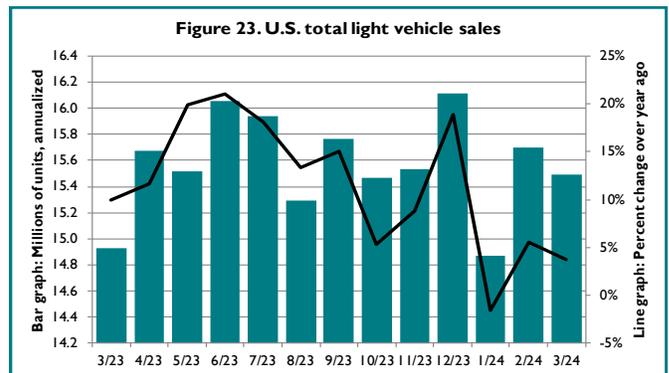
Source: Mississippi Department of Revenue, URC (seasonal adjustment)



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: U.S. Bureau of Economic Analysis

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	February	January	February	Percent change from	
	2024	2024	2023	January 2024	February 2023
U.S. Leading Economic Index 2012 = 100. Source: The Conference Board	102.8	102.7	109.6	▲0.1%	▼6.2%
U.S. Coincident Economic Index 2012 = 100. Source: The Conference Board	112.3	112.1	109.7	▲0.2%	▲2.4%
Mississippi Leading Index 2012 = 100. Source: University Research Center	125.6	123.9	121.3	▲1.4%	▲3.5%
Mississippi Coincident Index 2012 = 100. Source: Federal Reserve Bank of Philadelphia	123.5	123.2	121.5	▲0.2%	▲1.6%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	4,937	5,540	4,110	▼10.9%	▲20.1%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	95.9	90.3	72.5	▲6.3%	▲32.3%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	134.3	133.1	138.8	▲0.9%	▼3.2%
Mississippi Manufacturing Employment Intensity Index 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	101.0	104.8	105.0	▼3.6%	▼3.8%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	76.6	73.2	62.1	▲4.6%	▲23.3%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	50.3	47.8	46.5	▲5.2%	▲8.2%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	700.7	696.7	690.4	▲0.6%	▲1.5%
U.S. Consumer Price Index (CPI)	308.4	306.7	299.2	▲0.5%	▲3.1%
U.S. Core CPI (excludes food and energy) 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	313.6	311.9	302.0	▲0.6%	▲3.9%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	3.1%	3.2%	3.3%	▼0.1	▼0.2
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	33,441	36,067	28,866	▼7.3%	▲15.8%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	51.4	52.6	51.2	▼2.3%	▲0.4%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	7.21%	7.40%	6.77%	▼0.19	▲0.44
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	22.06	21.79	20.84	▲1.2%	▲5.9%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	885.85	898.76	855.96	▼1.4%	▲3.5%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	89.4	89.9	90.9	▼0.6%	▼1.7%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	15.49	15.70	14.93	▼1.3%	▲3.7%
Gaming revenue	159.83	142.29	161.7	▲12.3%	▼1.2%
Coastal counties	103.14	96.36	104.4	▲7.0%	▼1.2%
River counties	56.69	45.93	57.3	▲23.4%	▼1.1%
Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue					

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI EMPLOYMENT TRENDS

Mississippi added 500 jobs in February according to the U.S. Bureau of Labor Statistics (BLS), essentially no change in percentage terms. Total nonfarm employment in the state was higher by 4,700 jobs compared to one year earlier as seen in Table 2 below, an increase of 0.4 percent.

BLS reported total nonfarm employment increased in four states in February and was essentially unchanged in forty-six states and the District of Columbia. Texas added 49,800 jobs for the month, the most among all states, followed by Illinois, which added 23,100 jobs, Michigan, which added 15,300 jobs, and Iowa, which added 11,000 jobs. Iowa had the largest percentage increase in employment among all states in February of 0.7%.

Twenty-five states added jobs over the last twelve months as of February according to BLS. Employment

was essentially unchanged in twenty-five states and the District of Columbia. The largest increase in employment among all states over the past twelve months occurred in Texas, which added 291,400 jobs, followed by Florida, which added 226,200 jobs, and California, which added 179,700 jobs. Employment increased 3.4 percent over the last twelve months as of February in Nevada, the largest percentage increase in employment among all states.

Most sectors in Mississippi saw little change in employment in February. The Professional and Business Services sector added 900 jobs for the month, the most among all sectors. The largest percentage increase in employment in February among all sectors also occurred in Professional and Business Services, a gain of 0.8 percent. Employment in the Manufacturing sector fell by 1,000 jobs for the month, the largest de-

crease among all sectors, followed by the loss of 400 jobs in the Retail Trade subsector. The largest percentage decrease in employment among all sectors occurred in Arts and Entertainment, where employment fell 1.0 percent in February.

The Health Care and Social Assistance sector in Mississippi added 5,000 jobs over the past twelve months as of February, the most among all sectors. Employment rose 6.4 percent in the Arts and Entertainment sector, the largest percentage increase among all sectors in the state over the past twelve months. The Trade, Transportation, and Utilities sectors lost 2,400 jobs over the past twelve months as of February, the largest decrease in employment among all sectors. Employment in the Information sector fell 5.9 percent over the last twelve months, the largest percentage decrease in employment among all sectors in the state.

Table 2. Change in Mississippi employment by industry, February 2024

	Relative share of total ^a	February 2024	January 2024	February 2023	Change from January 2024		Change from February 2023	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,184,400	1,183,900	1,179,700	▲500	◀▶0.0%	▲4,700	▲0.4%
Mining and Logging	0.5%	6,300	6,300	6,300	◀▶0	◀▶0.0%	◀▶0	◀▶0.0%
Construction	4.1%	48,800	48,700	47,400	▲100	▲0.2%	▲1,400	▲3.0%
Manufacturing	12.2%	143,900	144,900	146,300	▼1,000	▼0.7%	▼2,400	▼1.6%
Trade, Transportation & Utilities	20.9%	244,200	244,500	248,400	▼300	▼0.1%	▼4,200	▼1.7%
Retail Trade	11.8%	138,300	138,700	138,900	▼400	▼0.3%	▼600	▼0.4%
Information	0.8%	9,500	9,500	10,100	◀▶0	◀▶0.0%	▼600	▼5.9%
Financial Activities	3.8%	45,400	45,600	45,300	▼200	▼0.4%	▲100	▲0.2%
Services	37.5%	447,400	445,600	440,400	▲1,800	▲0.4%	▲7,000	▲1.6%
Professional & Business Services	9.9%	117,900	117,000	118,100	▲900	▲0.8%	▼200	▼0.2%
Educational Services	1.1%	13,800	13,800	13,000	◀▶0	◀▶0.0%	▲800	▲6.2%
Health Care and Social Assistance	11.7%	140,700	140,400	135,700	▲300	▲0.2%	▲5,000	▲3.7%
Arts and Entertainment	0.8%	10,000	10,100	9,400	▼100	▼1.0%	▲600	▲6.4%
Accommodation and Food Services	10.6%	125,700	125,100	124,700	▲600	▲0.5%	▲1,000	▲0.8%
Other Services	3.3%	39,300	39,200	39,500	▲100	▲0.3%	▼200	▼0.5%
Government	20.1%	238,900	238,800	235,500	▲100	◀▶0.0%	▲3,400	▲1.4%

^aRelative 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 24a. Nonfarm employment

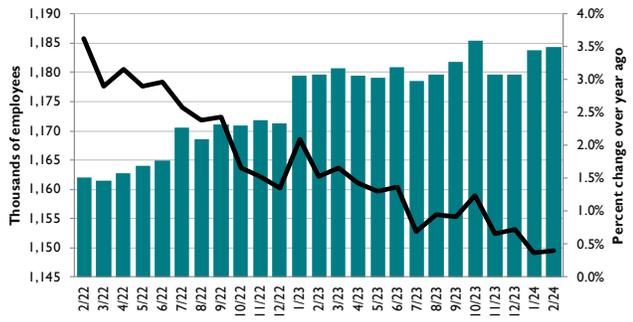


Figure 24b. Mining and Logging

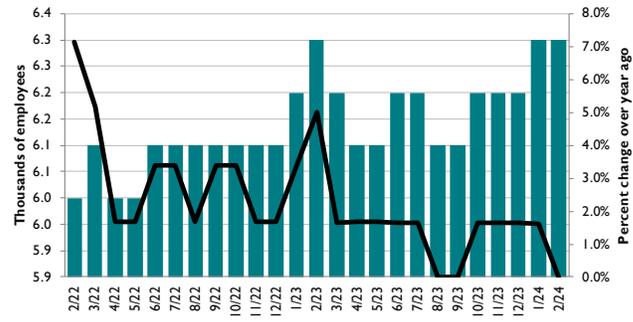


Figure 24c. Construction

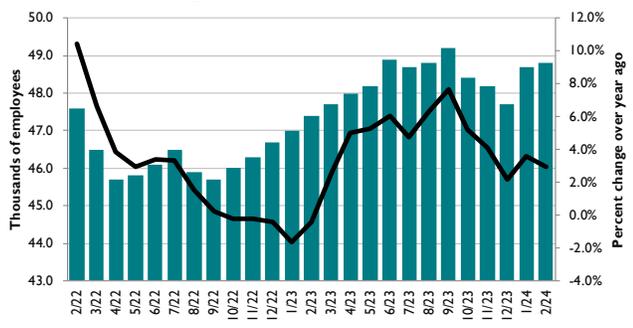


Figure 24d. Manufacturing

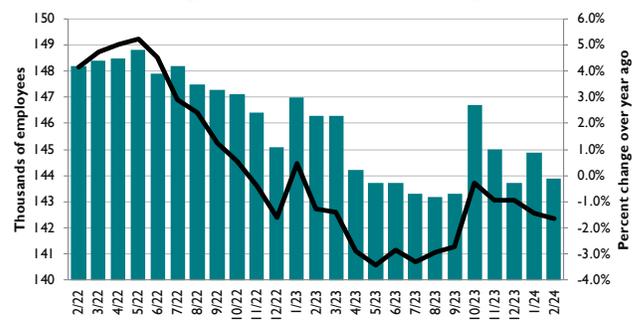


Figure 24e. Trade, transportation, and utilities

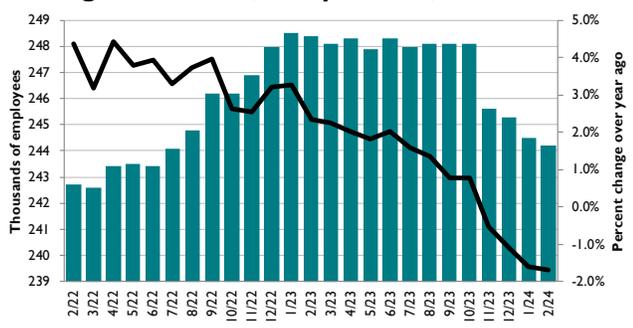


Figure 24f. Information

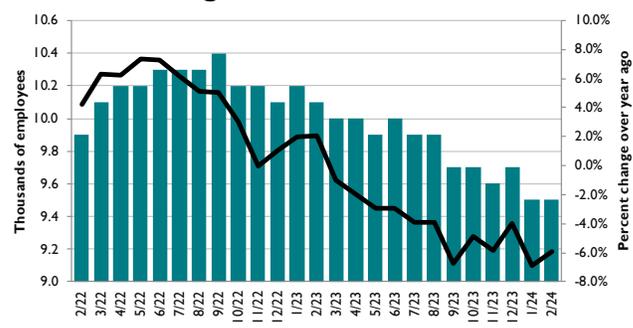


Figure 24g. Financial activities

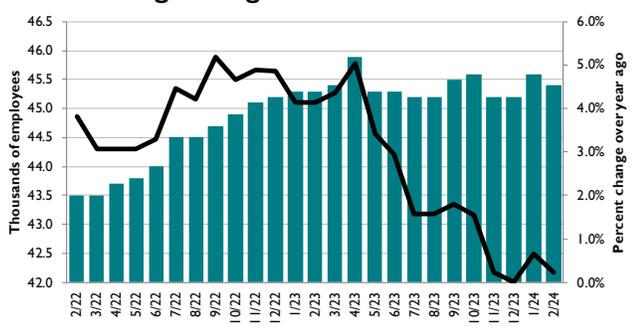
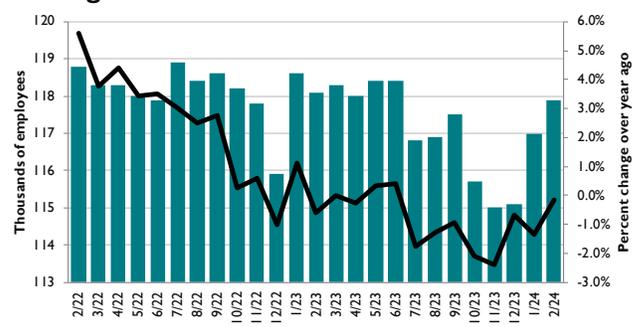


Figure 24h. Professional and business services



MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)

Figure 24i. Educational services

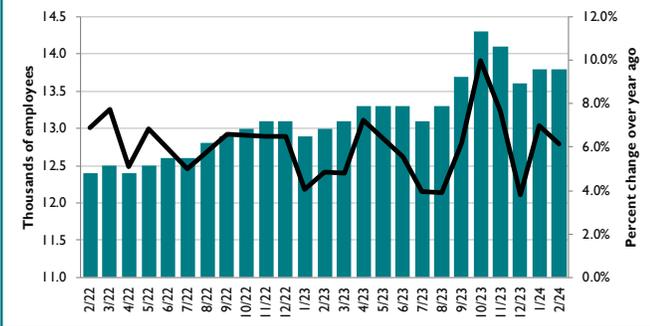


Figure 24j. Health care and social assistance

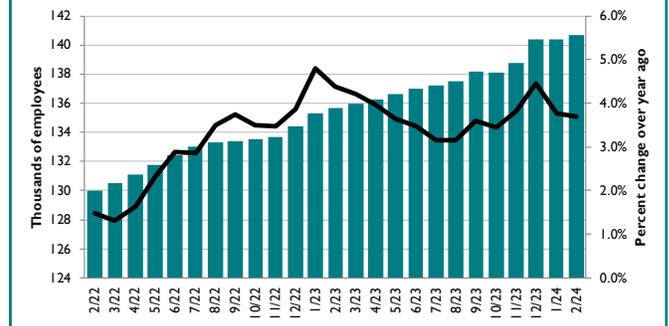


Figure 24k. Arts and entertainment

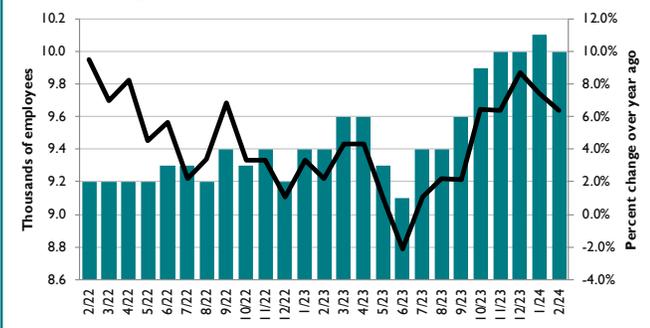


Figure 24l. Accommodation and food services

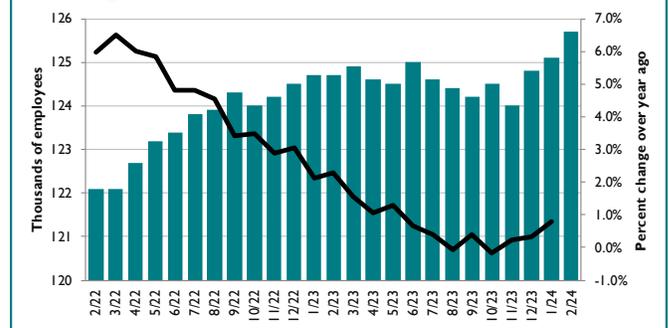


Figure 24m. Other services

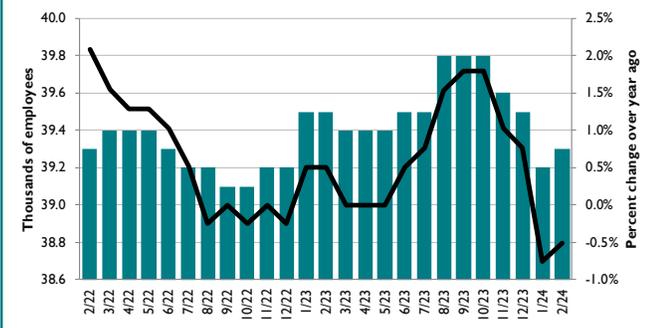


Figure 24n. Federal government

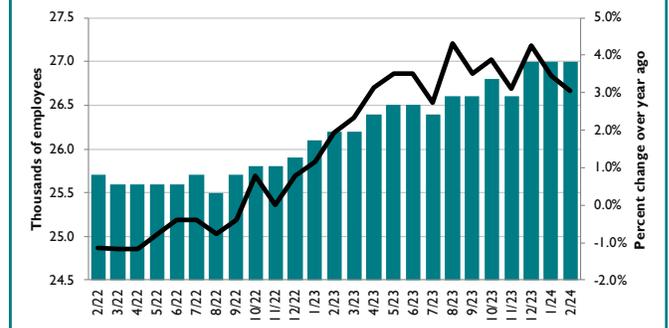


Figure 24o. State government

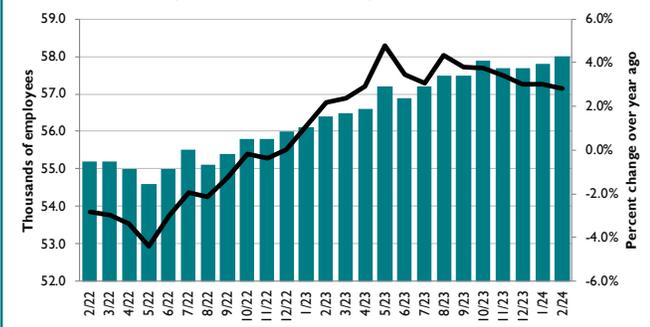
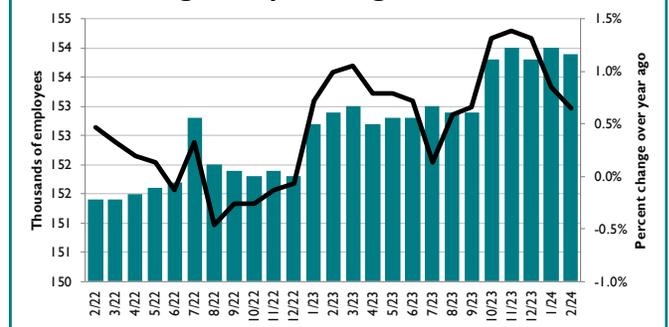


Figure 24p. Local government



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

CHANGE IN MISSISSIPPI REAL GDP IN 2023

In 2023 real gross domestic product (GDP) increased in forty-nine states and the District of Columbia according to the latest estimate of the U.S. Bureau of Economic Analysis (BEA). Real GDP for Mississippi increased 0.7 percent in 2023, which ranked forty-seventh among all states. The 2023 estimate for the state marked an increase from the 2022 estimate, which remained a change of 0.0 percent.

The contributions by sector to the 0.7 percent increase in the state's real GDP in 2023 are listed in Table 3 from largest to smallest. (BEA's preliminary estimates only include the changes in major industries.) The Retail Trade sector made the largest contribution to the state's real GDP growth, an increase of 0.61 percent. The next largest increase came from the Health Care and Social Assistance sector, which added 0.29 percentage point to real GDP. The third largest contribution was made by the Professional, Scientific, and Technical Services sector, which added 0.23 percentage point. These three sectors together increased Mississippi's real GDP by 1.13 percentage points, more than the positive contributions of all other sectors combined. These contributions were closely followed by the 0.22 percentage point added by Utilities and the 0.20 percentage point added by Government. Five other sectors each made positive contributions of less than 0.2 per-

centage point. The Agriculture, Forestry, Fishing, and Hunting sector made the largest negative contribution to Mississippi real GDP in 2023 of -0.72 percentage point. The Manufacturing sector made the next largest negative contribution of -0.29 percentage point, followed by Wholesale Trade, which subtracted 0.20 percentage point from real GDP growth. Four other sectors reduced real GDP for the state by less than 0.2 percentage point.

The percentage change in real GDP for all states in 2023 is depicted in Figure 25 on page 12. The largest

increase in real GDP among all states and the District of Columbia occurred in North Dakota, where real GDP expanded by 5.9 percent in 2023. Texas closely followed with the next largest increase in real GDP of 5.7 percent. The third largest increase in real GDP in 2023 was the 5.4 percent growth in Wyoming, closely followed by Alaska and Oklahoma, where in both states real GDP expanded 5.3 percent for the year. Real GDP for Delaware contracted 1.2 percent in 2023, the only state where real GDP decreased. Real GDP for

Table 3. Contributions to percent change in Mississippi real GDP by sector, 2023

Sector	Percentage points
Retail trade	0.61
Health care and social assistance	0.29
Professional, scientific, and technical services	0.23
Utilities	0.22
Government and government enterprises	0.20
Transportation and warehousing	0.17
Information	0.14
Management of companies and enterprises	0.12
Mining, quarrying, and oil and gas extraction	0.09
Arts, entertainment, and recreation	0.04
Educational services	0.00
Finance, insurance, real estate, and rental and leasing	0.00
Administrative and support and waste management	-0.02
Construction	-0.04
Other services	-0.05
Accommodation and food services	-0.11
Wholesale trade	-0.20
Manufacturing	-0.29
Agriculture, forestry, fishing, and hunting	-0.72
Total	0.7%

Total may not add due to rounding. Source: U.S. Bureau of Economic Analysis.

CHANGE IN MISSISSIPPI REAL GDP IN 2023 (CONTINUED)

Georgia increased 0.8 percent in 2023, the only other state in the southeast region besides Mississippi where real GDP expanded by less than 2.0 percent.

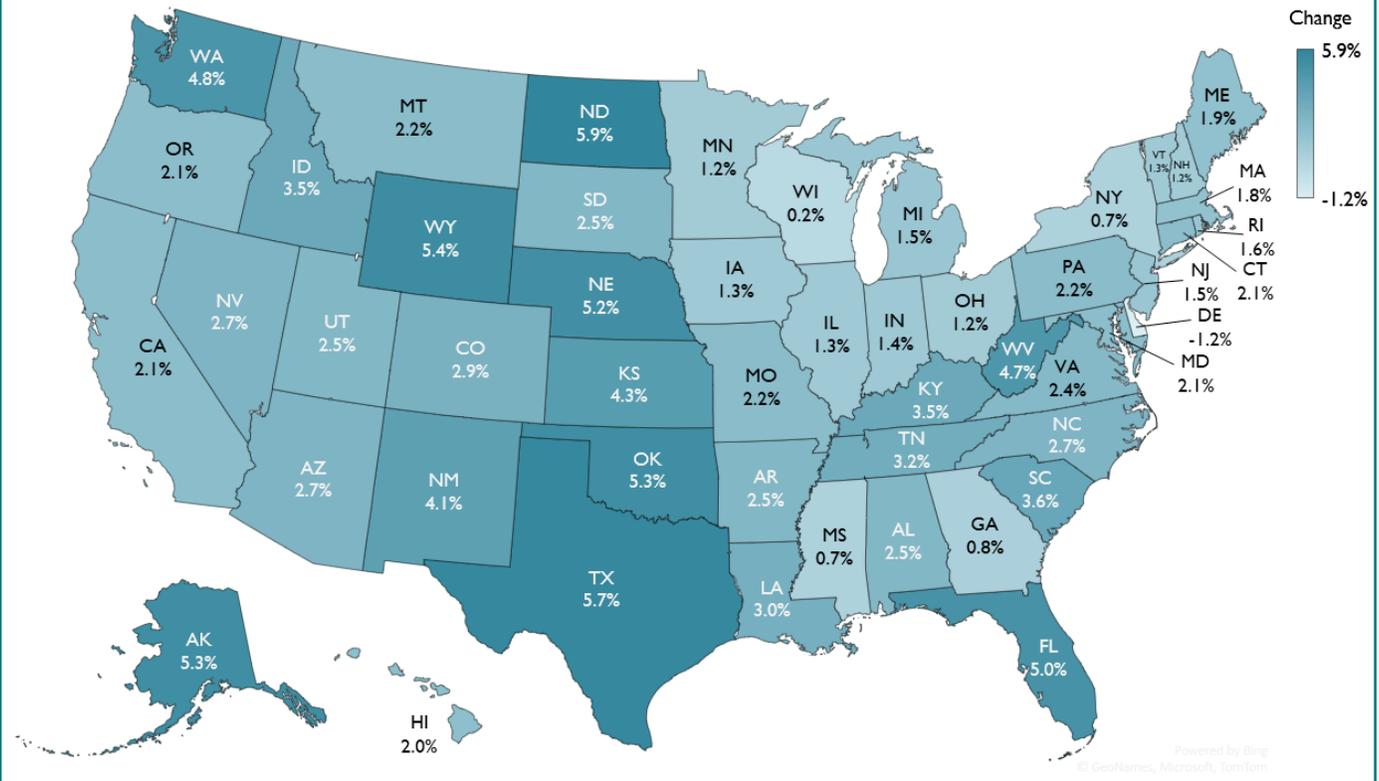
The Retail Trade sector made positive contributions to real GDP in all fifty states and the District of Columbia in 2023 and the sector was the leading contributor in forty-three states and the District of Columbia. The Health Care and Social Assistance sector made a positive contribution to real GDP growth in forty-nine states and the District of Columbia and the sector was the leading contributor to the increase in six states. In forty-three states

the Mining sector made positive contributions to real GDP growth in 2023. The sector was the leading contributor to real GDP growth in seven states, including the five states with the largest increases in real GDP in 2023: North Dakota, Texas, Wyoming, Alaska, and Oklahoma. Conversely, the Finance and Insurance sector made negative contributions in forty-three states and the District of Columbia. This sector was also the leading contributor to the decrease in real GDP in Delaware.

As is usually the case, the GDP data by state reported by BEA should be viewed with a couple of caveats.

The 2023 data represent preliminary estimates and are calculated from a more limited set of data than the final estimate that will appear one year from now. BEA also uses a different methodology to compute state-level GDP than it employs in its calculations of U.S. GDP. In its estimates of national GDP, BEA uses spending on final goods and services, investment, and net foreign trade as a basis, the typical textbook calculation of GDP. However, the agency derives state GDP from incomes earned and costs of production.

Figure 25. Percent change in real GDP by state, 2023



Source: U.S. Bureau of Economic Analysis.