

ECONOMY AT A GLANCE

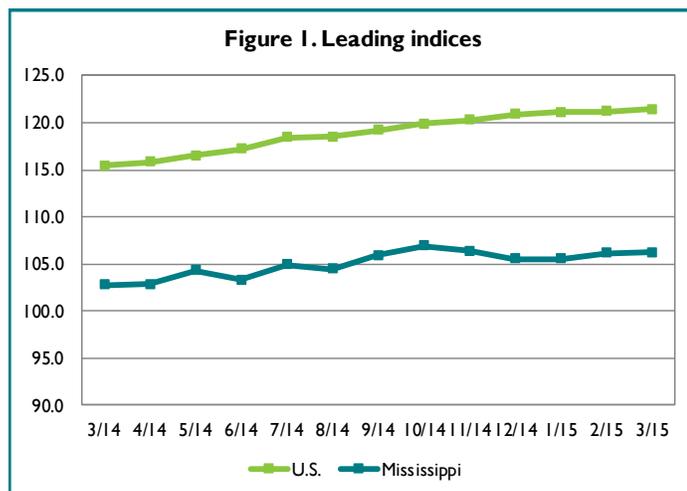
Figure 1 below indicates the value of the Mississippi Leading Index (MLI) edged higher by 0.1 percent in March. The increase was the second in a row after the February value of the MLI was revised lower. The value of the MLI in March was 3.4 percent higher compared to one year ago.

Following the review by the Federal Reserve Bank of Philadelphia, the value of the Mississippi Coincident Index rose 0.2 percent in March as Figure 2 below indicates. The value of the index was 1.4 percent higher compared to six months ago and 1.7 percent higher compared to one year ago.

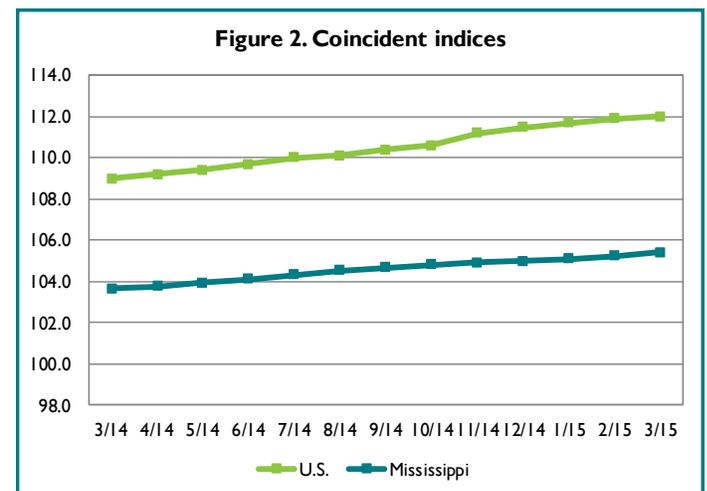
The U.S. Bureau of Economic Analysis (BEA) last month released its first estimate of the change in real U.S. gross domestic product (GDP) for the first quarter of 0.2 per-

cent, well below expectations. The relatively poor first quarter for GDP was similar to 2014, when real GDP contracted 2.1 percent in the first quarter. However, that contraction was attributed largely to a severe U.S. winter; the near-zero growth in 2015 appears to result from a number of factors. While winter weather hit the Northeast hard, labor disputes at West Coast ports, a stronger U.S. dollar, and lower oil prices all contributed to slower growth.

Mississippi's economy appears to be holding its own despite the recent national slowdown. Employment growth remains anemic, but unemployment claims are lower compared to one year ago. If the state's economy does not falter in this quarter, prospects for growth in the second half of the year could improve if the national economy can rebound from its relatively weak start to 2015.



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 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 2004.

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MISSISSIPPI'S BUSINESS

MISSISSIPPI LEADING INDEX, MARCH 2015

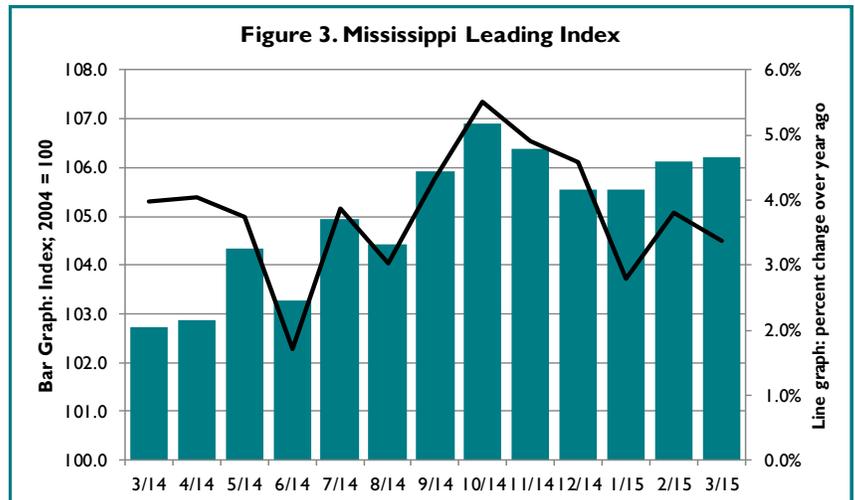
As seen in Figure 3, the value of the **Mississippi Leading Index of Economic Indicators (MLI)** inched higher by 0.1 percent in March for the second consecutive month. However, the February value of the MLI was revised lower. Nevertheless, for the first time since October 2014 the value of the MLI increased in consecutive months. Compared to March 2014, the value of the MLI was 3.4 percent higher.

Only two of the seven components of the MLI contributed positively in March as four declined in value and one remained unchanged. Discussion of each component appears below in order of largest to smallest contribution.

Following three consecutive monthly declines, the value of **U.S. retail sales** rose 0.9 percent as indicated in Figure 4. Compared to one year ago, the value was 1.3 percent higher, the lowest year-over-year increase since October 2009. The 2.7 percent increase in vehicle sales impelled most of the gain; sales outside of automobiles still rose 0.4 percent. Sales at gasoline stations slipped 0.6 percent after increasing in February. The slight increase in the MLI in March resulted almost entirely from the rise in sales.

The **Mississippi Manufacturing Employment Intensity Index** increased slightly in March for the second straight month. The value of the Index edged higher by 0.1 percent for the month as seen in Figure 5. Following the March increase, the value of the Index was 0.7 percent higher compared to one year ago, the first positive year-over-year reading since last November. While employment in manufacturing in Mississippi slipped 0.7 percent in March, average weekly hours of production employees increased for the second consecutive month, more than offsetting the decrease in employment.

The value of the **Institute for Supply Management Index of U.S. Manufacturing Activity** broke a streak of five straight months of decreases in April. However, the Index still did not increase as seen in Figure 6. The level of the Index remained at 51.5, just into expansion territory. Compared to one year ago, the value of the Index was 6.9 percent lower in April. The issues that plagued manufacturing in the first quarter lingered into April, but may be starting to dissipate. Nevertheless, the dollar remains strong and the employment component of the Index fell for the fourth consecutive month.



Source: University Research Center

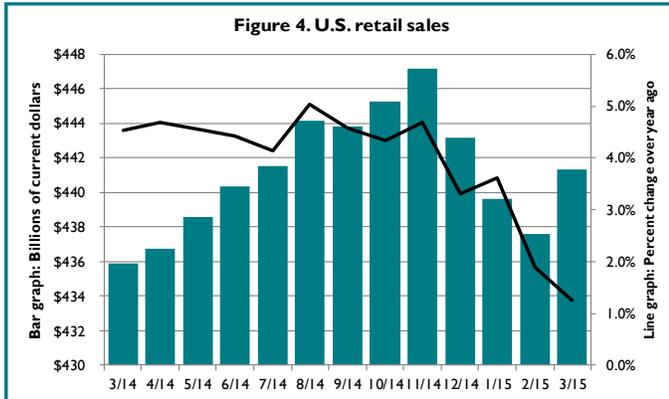
For the second consecutive month, seasonally-adjusted **initial unemployment claims** and seasonally-adjusted continued unemployment claims in Mississippi increased in March. As seen in Figure 7, the value of initial claims edged higher by 1.5 percent. Compared to March 2014 the value of total initial claims remained 8.5 percent lower. The number of seasonally-adjusted continued unemployment claims in Mississippi for March surged 6.0 percent as Figure 14 on page 6 indicates. However, the number of continued claims was 27.8 percent less than one year ago and historically the value remains relatively low. Mississippi's seasonally-adjusted unemployment rate for March fell 0.2 percentage point to 6.8 percent, its lowest level since May 2008.

The value of **Mississippi income tax withholdings** (three-month moving average) slipped 0.3 percent in March as Figure 8 indicates. Over the last twelve months, the value of withholdings decreased in six months and increased in the other six, leading to a slight upward trend. As a result, the value of withholdings in March 2015 was 1.9 percent higher than in March 2014. The average monthly value of withholdings over the last six months was 3.4 percent higher compared to the previous six months.

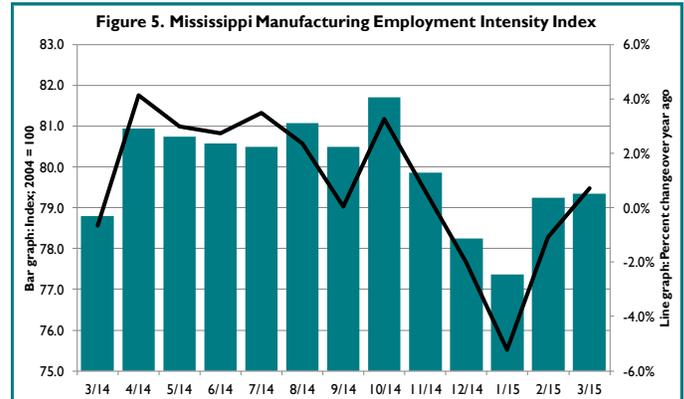
After four consecutive months of increases, the **value of Mississippi residential building permits** (three-month moving average) slipped in March. As Figure 9 indicates, the value fell 1.5 percent from February. However, the value of permits for the month remained 28.0 percent higher compared to the same period a year ago. Similarly,

(Continued on page 4)

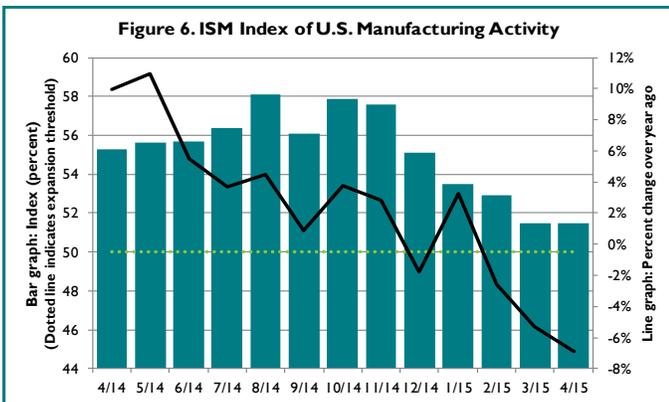
COMPONENTS OF MISSISSIPPI LEADING INDEX, IN FIGURES



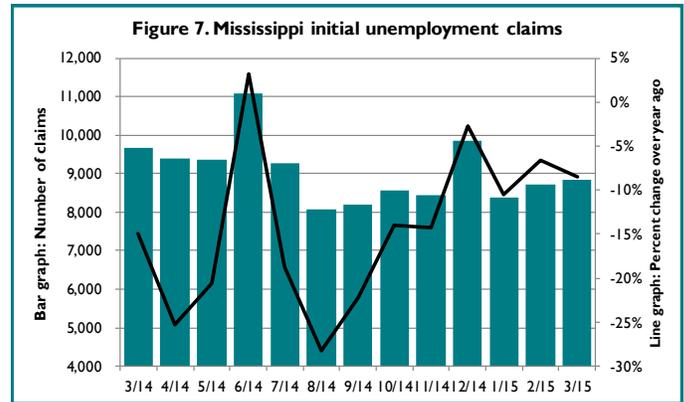
Source: Bureau of the Census



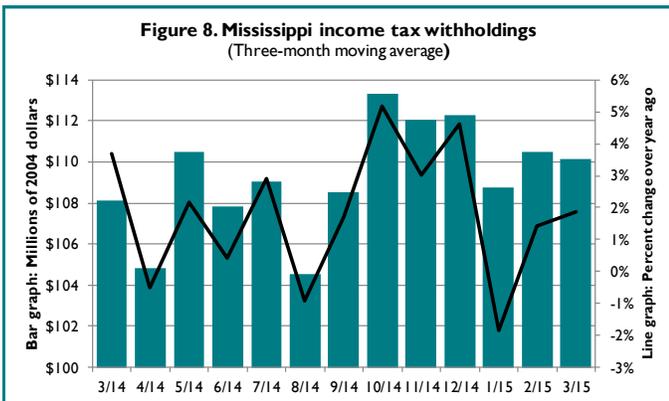
Source: URC using data from Bureau of Labor Statistics



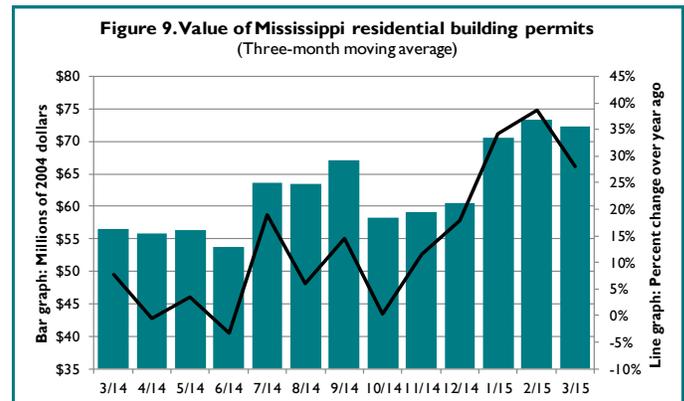
Source: Institute for Supply Management



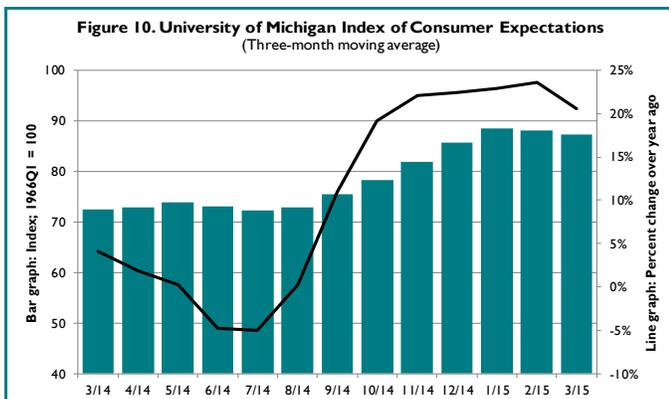
Source: U.S. Department of Labor; seasonally adjusted



Source: Mississippi Department of Revenue; seasonally adjusted



Source: Bureau of the Census; seasonally adjusted



Source: Thomson Reuters/University of Michigan Surveys of Consumers

The value of the MLI rose 0.1% in March, despite the increase of only two leading economic indicators for the month.

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MISSISSIPPI LEADING INDEX, MARCH 2015 (CONTINUED)

the seasonally-adjusted number of units for which building permits were issued (three-month moving average) in Mississippi decreased 1.6 percent in March. Nevertheless, compared to one year ago the value was 26.3 percent higher. The number of privately-owned housing units authorized by building permits in the U.S. declined 5.7 percent in March from the revised February level. This value was 2.9 percent above the March 2014 level.

The value of the **University of Michigan Index of Consumer Expectations** (three-month moving aver-

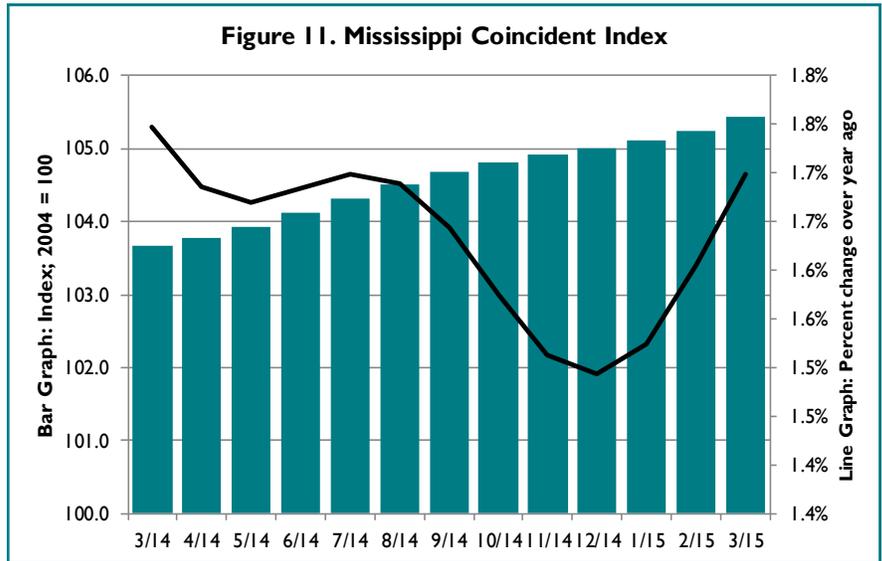
age) fell for the second consecutive month as seen in Figure 10. Compared to March, the value of the index decreased 0.8 percent in April. Despite the slight declines of the last two months, the value of the Index remains relatively high, as the April value was the second-highest value in the last ten years. Compared to one year ago, the April value of the Index was 20.6 percent higher. The share of consumers concerned about short-term inflation decreased in April and the shares of consumers who believe now is a good time to make various major purchases all increased.

MISSISSIPPI COINCIDENT INDEX, MARCH 2015

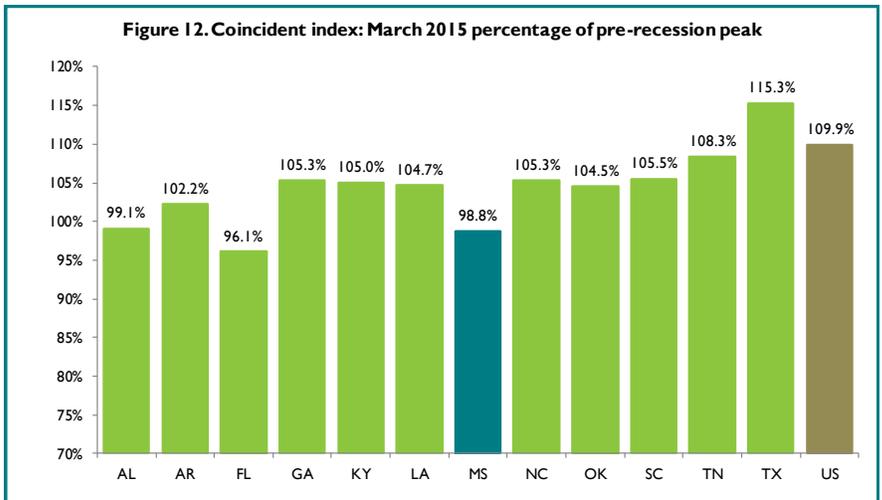
Following a review by the Federal Reserve Bank of Philadelphia, data values for the **Mississippi Coincident Index of Economic Indicators (MCI)** through March 2015 were released last month. The value of the MCI for March rose 0.2 percent from the previous month as seen in Figure 11. Compared to one year ago, the value of the MCI was 1.7 percent higher in March.

Figure 12 indicates the value of the Mississippi Coincident Index reached 98.8 percent of its pre-recession peak in March. Among the twelve states in the Southeast region, the values of the respective coincident indices for Alabama, Florida, and Mississippi were below their pre-recession peaks in March. In fact, the values of the indices of the other nine states in the region were all at least 102.2 percent above their pre-recession peaks.

As Figure 13 on page 5 indicates, forty-six states experienced increases in the value of their coincident indices in March compared to three months prior. Notably, energy sectors make up a substantial portion of the economies of the four states with negative changes in the value of their coincident indices in March. The coincident indices of eight states including Mississippi increased between 0.0 and 0.5 percent compared to three months prior, while the values of the indices in thirty-eight states increased 0.5 percent or more.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

NATIONAL TRENDS

According to The Conference Board, the U.S. Leading Economic Index (LEI) increased for the seventh consecutive month in March. The value of the LEI rose 0.2 percent in March; however, the change in February was revised down to 0.1 percent. The value of the LEI was 5.2 percent higher compared to March 2014. Six of the ten components of the LEI increased for the month, and the largest contributors to the increase were weekly initial unemployment claims and the interest rate spread. Building permits made the largest negative contribution.

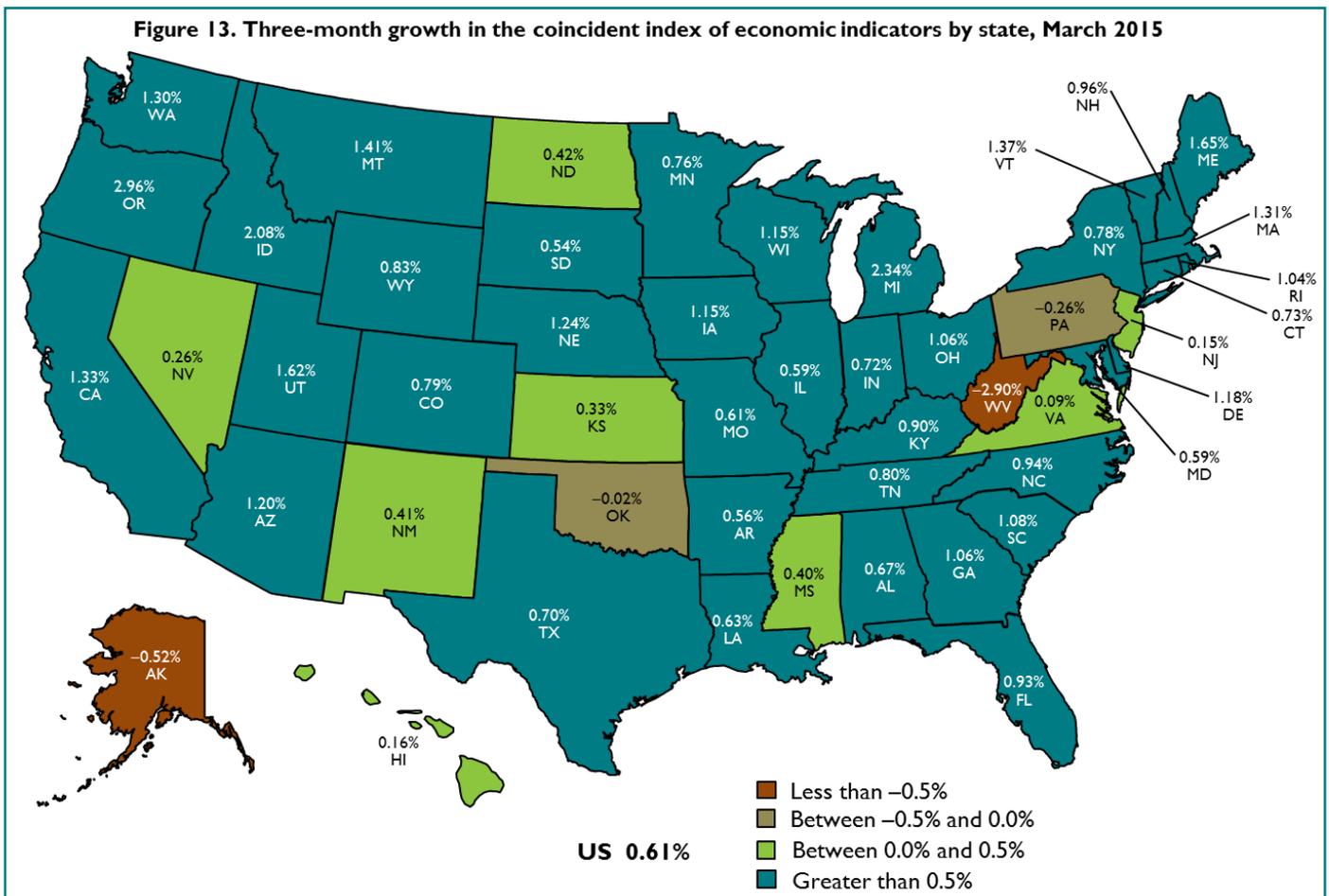
The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) climbed 0.1 percent in March. The value of the CEI has risen for fourteen consecutive months. Three of the four components of the Index rose for the month, while industrial production declined. Compared to one year ago the value of the CEI in March was 2.8 percent higher.

For the second time in three months, the National Federation of Independent Businesses (NFIB) Small Business

Optimism Index fell in March. The Index lost 2.9 percent of its value for the month, declining to its lowest value since June 2014. Weakness was unusually widespread, as all ten components of the Index decreased in March. Nevertheless, the primary source of the month's decline was the fall in the share of respondents who expect the economy to improve. A dearth of positive economic data for March—particularly the employment report—likely resulted in the lack of optimism from small businesses.

The first estimate of growth in real GDP in the first quarter (see page 1) likely all but eliminated the possibility of an interest rate increase by the Federal Reserve in June. The Fed's statement in April gave very little guidance with regard to the timing of any future rate increase. While many analysts think the central bank will initiate a rate hike in September, a growing number appear to believe no increase will occur any time in 2015. The silence of Fed officials in April likely means they will heavily weight second quarter economic data in their decision-making process.

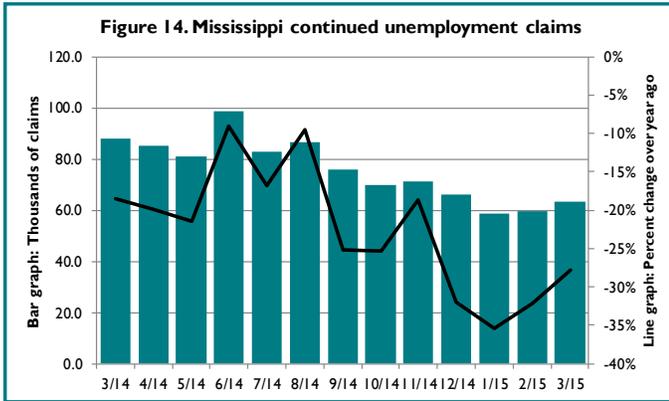
Figure 13. Three-month growth in the coincident index of economic indicators by state, March 2015



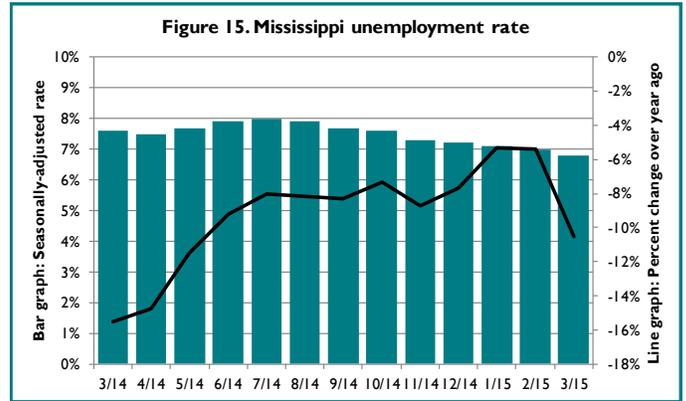
Source: Federal Reserve Bank of Philadelphia

MISSISSIPPI'S BUSINESS

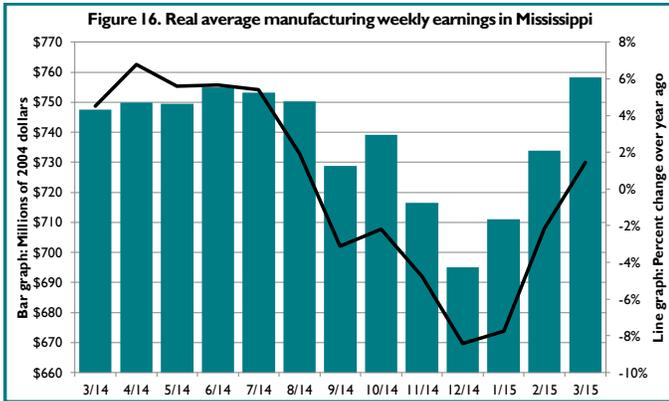
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



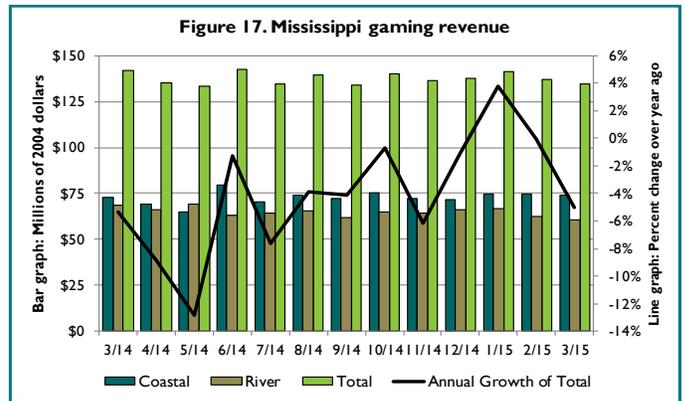
Source: U.S. Department of Labor; seasonally adjusted



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



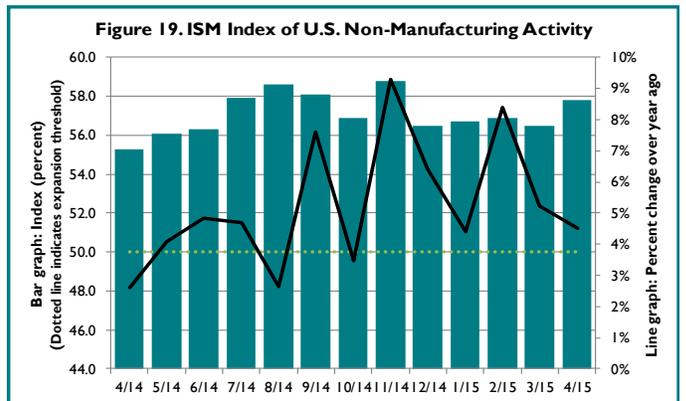
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



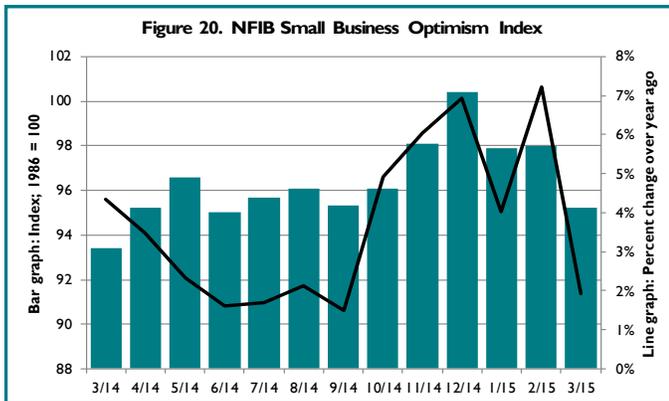
Source: Mississippi Department of Revenue; seasonally adjusted



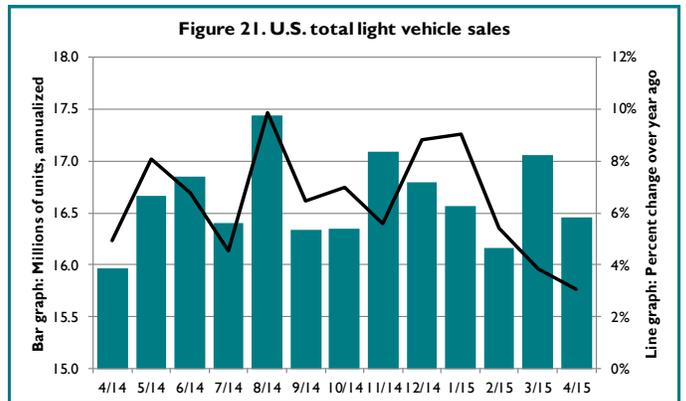
Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: National Federation of Independent Businesses



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

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	March	February	March	Percent change from		
	2015	2015	2014	February 2015	March 2014	
U.S. Leading Economic Index 2004 = 100. Source: The Conference Board	121.4	121.2	115.4	▲0.2%	▲5.2%	Economic Indices
U.S. Coincident Economic Index 2004 = 100. Source: The Conference Board	112.0	111.9	109.0	▲0.1%	▲2.8%	
Mississippi Leading Index 2004 = 100. Source: University Research Center	106.2	106.1	102.7	▲0.1%	▲3.4%	
Mississippi Coincident Index 2004 = 100. Source: Federal Reserve Bank of Philadelphia	107.3	106.6	103.7	▲0.7%	▲3.5%	
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	8,852	8,717	9,678	▲1.5%	▼8.5%	Components of the Mississippi Leading Index
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Bureau of the Census	72.3	73.4	56.5	▼1.5%	▲28.0%	
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	110.1	110.5	108.1	▼0.3%	▲1.9%	
Mississippi Manufacturing Employment Intensity Index 2004 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	79.4	79.2	78.8	▲0.1%	▲0.7%	
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	87.4	88.1	72.5	▼0.8%	▲20.6%	
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	51.5	51.5	55.3	◀0.0%	▼6.9%	
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	441.4	437.6	434.0	▲0.9%	▲1.7%	
U.S. Consumer Price Index 2004 = 100. Source: URC using data from Bureau of Labor Statistics	125.0	124.3	125.1	▲0.6%	▼0.1%	
Mississippi unemployment rate Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	6.8%	7.0%	7.6%	▼2.9%	▼10.5%	
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	63,411	59,822	87,874	▲6.0%	▼27.8%	
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	57.8	56.5	55.3	▲2.3%	▲4.5%	Miscellaneous Indicators
U.S. mortgage rates Seasonally adjusted; 30-year conventional. Source: U.S. Federal Reserve	3.76%	3.76%	4.32%	▼0.2%	▼13.1%	
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	18.40	18.25	18.21	▲0.8%	▲1.0%	
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	758.22	733.87	747.43	▲3.3%	▲1.4%	
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	95.2	98.0	93.4	▼2.9%	▲1.9%	
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.46	17.05	15.97	▼3.5%	▲3.1%	
Gaming revenue	134.7	137.1	141.9	▼1.7%	▼5.0%	
Coastal counties	74.3	74.5	73.0	▼0.4%	▲1.7%	
River counties Seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	60.5	62.6	68.9	▼3.4%	▼12.2%	

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

Table 2 below indicates total nonfarm employment in Mississippi fell 0.4 percent in March according to the U.S. Bureau of Labor Statistics (BLS). In addition, total employment for February was revised slightly higher. Mississippi's economy shed 4,300 jobs for the month and total employment slipped to its lowest value since November 2014. Employment in March in Mississippi was 0.6 percent higher compared to one year ago with 7,200 additional jobs.

Nonfarm employment decreased in thirty-one states and the District of Columbia in March, including Mississippi. Texas, Oklahoma, and Pennsylvania reported the most jobs lost for the month while California, Florida, Massachusetts, and Washington added the most jobs. Compared to one year ago, only West Virginia reported lower employment among all states and the District of Columbia.

Job losses in the state were widespread in March as only employment in Construction increased while Other Services employment did not change. Construction added 1,100 jobs for the month, an increase of 2.3 percent and a gain in employment for the second consecutive month for the sector. Prior to February, employment in Construc-

tion in Mississippi last increased in January 2014. The largest absolute decline in employment in March occurred in the Retail Trade industry, which lost 1,700 jobs, a decline of 1.2 percent. The largest percentage decrease in employment for the month occurred in Mining and Logging, which fell 2.3 percent, a decline of 200 jobs. While jobs in Mining and Logging account for less than 1 percent of total nonfarm employment in the state, the value has fallen for four consecutive months.

As of March, only three industries in the state employed fewer people compared to one year ago: Mining and Logging, Construction, and Retail Trade. Transportation and Utilities added the most jobs over the last twelve months.

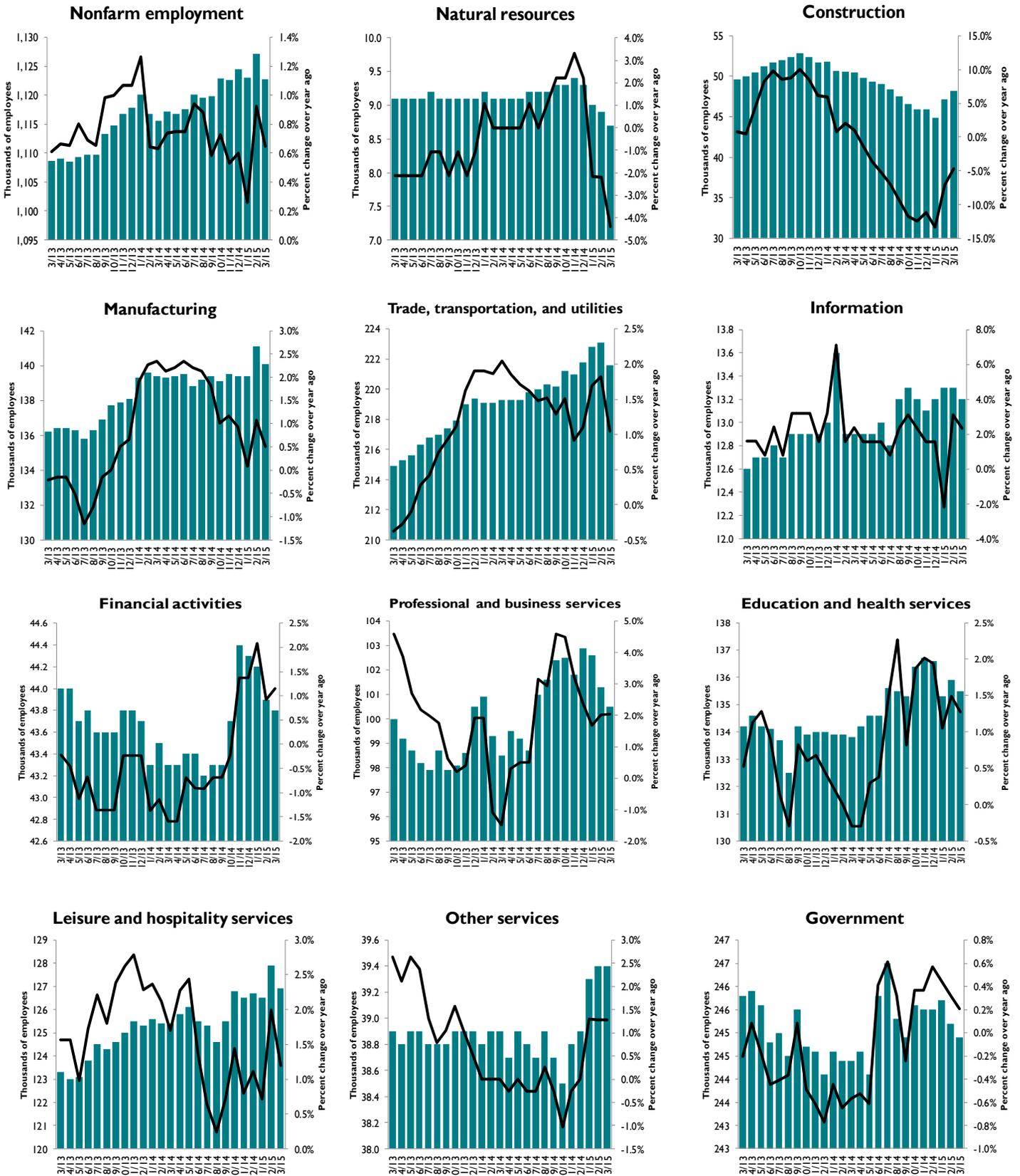
The decline in total nonfarm employment in Mississippi in March was not a surprise given the lackluster job gains for the nation as a whole. A majority of states lost jobs as well, especially those states with sizable energy industries. A number of analysts have noted that the U.S. economy has underperformed in the first quarter in recent years, and that the remainder of 2015 should result in stronger growth. Employment in Mississippi should follow suit, although likely lagging behind U.S. employment growth.

Table 2. Change in Mississippi employment by industry, March 2015

	Relative share of total ^a	March 2015	February 2015	March 2014	Change from February 2015 Level	Change from February 2015 Percent	Change from March 2014 Level	Change from March 2014 Percent
Total Nonfarm	100.0%	1,122,800	1,127,100	1,115,600	▼4,300	▼0.4%	▲7,200	▲0.6%
Mining and Logging	0.8%	8,700	8,900	9,100	▼200	▼2.2%	▼400	▼4.4%
Construction	4.3%	48,200	47,100	50,600	▲1,100	▲2.3%	▼2,400	▼4.7%
Manufacturing	12.4%	140,100	141,100	139,400	▼1,000	▼0.7%	▲700	▲0.5%
Trade, Transportation, & Utilities	19.7%	221,600	223,100	219,300	▼1,500	▼0.7%	▲2,300	▲1.0%
Retail Trade	12.1%	135,500	137,200	135,600	▼1,700	▼1.2%	▼100	▼0.1%
Information	1.2%	13,200	13,300	12,900	▼100	▼0.8%	▲300	▲2.3%
Financial Activities	3.9%	43,800	43,900	43,300	▼100	▼0.2%	▲500	▲1.2%
Services	35.8%	402,300	404,500	396,600	▼2,200	▼0.5%	▲5,700	▲1.4%
Professional & Business Services	9.0%	100,500	101,300	98,500	▼800	▼0.8%	▲2,000	▲2.0%
Education & Health Services	12.1%	135,500	135,900	133,800	▼400	▼0.3%	▲1,700	▲1.3%
Leisure & Hospitality	11.3%	126,900	127,900	125,400	▼1,000	▼0.8%	▲1,500	▲1.2%
Other Services	3.5%	39,400	39,400	38,900	▲0	▲0.0%	▲500	▲1.3%
Government	21.9%	244,900	245,200	244,400	▼300	▼0.1%	▲500	▲0.2%

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

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI'S BUSINESS

INCOME TAX WITHHOLDINGS AS AN ECONOMIC INDICATOR

Of the seven economic indicators used to calculate the value of the Mississippi Leading Index (MLI) published in *Mississippi's Business* each month, the most important might be the value of Mississippi income tax withholdings. Income tax withholdings represent the amount of money an employer holds out of an employee's paycheck each month in order to pay federal income taxes and—in states like Mississippi—state income taxes. (Self-employed individuals must also make estimated withholding tax payments at different times during the year.) The amount of tax withheld is determined primarily by how much an employee earns. This amount is adjusted for an individual's filing status if he or she is married as well as for any allowances he or she can claim. (These allowances are determined by the number of adjustments, credits, deductions, and exemptions an individual reports on his or her federal W-4 form.) When an employee files his or her annual individual income tax return, if he or she had more income withheld from his or her paycheck than the total amount due for the year's tax, then the employee receives a refund. If the amount is less than the total income tax owed, then the employee must pay the difference. In general, collection of withholding taxes operates in the same manner at both the federal and state levels.

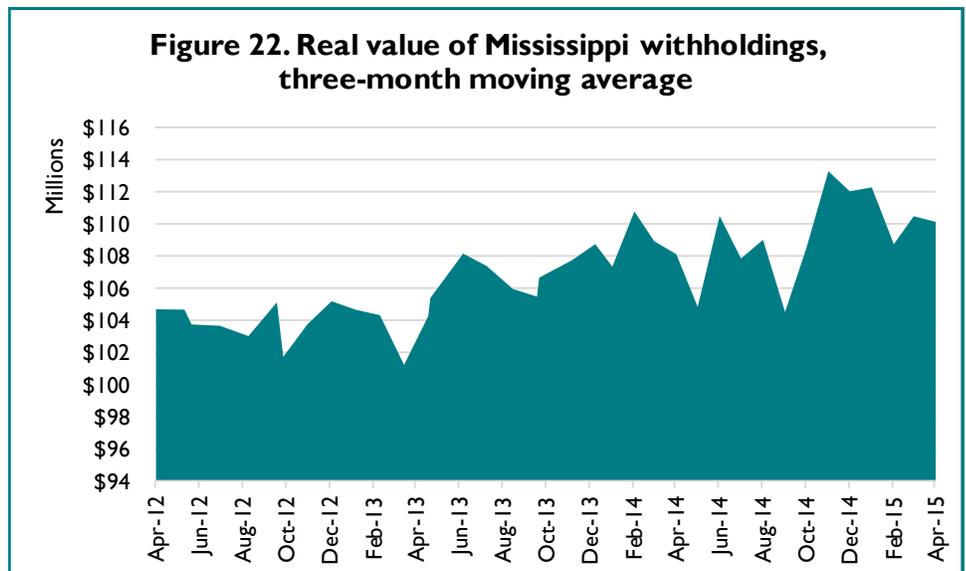
Based on the description above, one can clearly see why withholdings functions well as an economic indicator. The most obvious reason is they represent economic activity during the month—someone must have paid someone else for working during the period. Withholdings also serve as a *leading* indicator because they can signal the direction of the larger economy. If demand increases and firms need to sell more products or perform more services, then employers will likely hire more workers to carry out these tasks; as a result the value of withholdings rises. Conversely, if demand declines employers may need to lay off employees, resulting in a lower value of withholdings. The value of withholdings will also change, all else equal, if employers increase or decrease the wages or salaries of their employees. During the Great Recession, the real value of withholdings in Mississippi (three-month moving average) fell by 7.0 percent. In fact, the real value of withholdings in Mississippi did not

return to its pre-recession peak until November 2013, reflecting the slow pace of both the growth in employment and wages over the preceding five years.

Another advantage of withholdings is the value represents a “hard” number. In other words, because withholdings are collected by the Department of Revenue daily during a particular month, the final value is known at the time it is released. Unlike some economic indicators such as building permits or employment, the value is neither estimated nor imputed. As such, unlike other indicators the value of withholdings is generally not subject to revisions. For some indicators such revisions can result in a final estimate that differs by several orders of magnitude from the originally reported value. Only occasionally will a reporting error require a relatively small adjustment for a particular month or months.

Figure 22 below depicts the seasonally-adjusted, real value of withholdings in Mississippi over the last three years. Clearly, the value trended up during this period; however, the rise was also uneven. In fact, the value exhibited more volatility in 2014 than in prior years despite increasing for the year.

In conclusion, while providing a complete assessment of a state or other area's economy requires a number of indicators, the value of withholdings represents perhaps the single most comprehensive measure to evaluate statewide economic conditions. As such, significant changes in its value over time will continue to serve as an important bellwether for the future of Mississippi's economy.



Seasonally-adjusted. Source: Mississippi Department of Revenue.

REVISIONS TO THE MISSISSIPPI COINCIDENT INDEX

As discussed on page 4, the Federal Reserve Bank of Philadelphia released revised estimates of its coincident indices for all fifty states in April. The Bank adjusted its procedures in response to the annual benchmark revisions completed by the U.S. Bureau of Labor Statistics to its monthly employment data in February. The Bank stated, “The revisions this year impacted our modeling process of the coincident indexes for several states. In response, we have extensively reviewed our process and the results for all 50 states.” The review process took several weeks, and during this time no values for coincident indices for states after December 2014 were publicly available. Consequently, neither the March nor April issues of *Mississippi’s Business* reported coincident index values for Mississippi or other states. While the revisions did not affect the Bank’s coincident index for Mississippi as much as other states, the values did change substantially and warrant further discussion.

Figure 23 on page 12 presents the values for the Mississippi Coincident Index (MCI) since March 2012 along with year-over-year percent changes. (Figure 23 is an extension of Figure 11 on page 4.) Perhaps the most obvious conclusion from Figure 23 is the small but steady upward trend in the values of the MCI over the last three years. The monthly values never decrease during this time period; only a few non-positive changes occur when the value remains the same as the previous month. In fact, following the revisions, the value of the MCI last decreased in December 2010. This pattern represents a departure from prior to the revisions, as values of the MCI decreased slightly in four months of 2014.

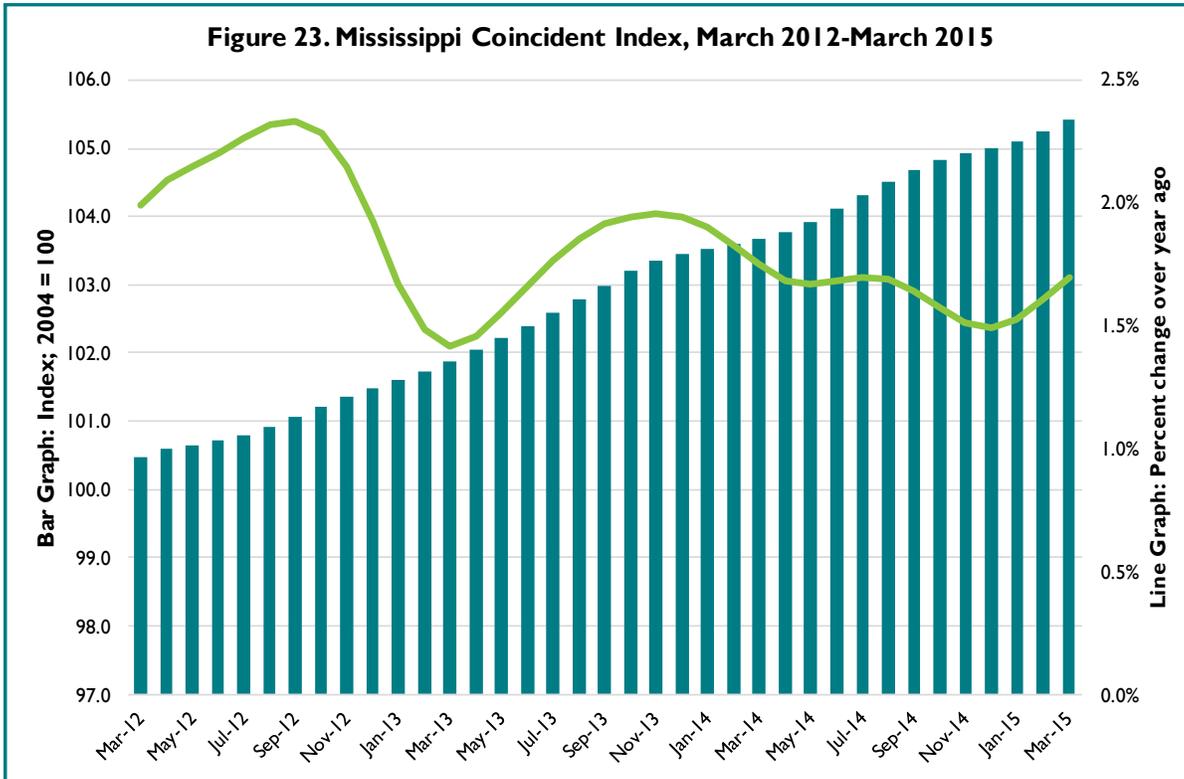
Another slight change post-revision is the value of the MCI never gained more than 0.1 or 0.2 percent from one month to the next during the three-year period depicted in Figure 23. This change is relatively small, as prior to the revisions monthly changes were not much larger than those currently included. Nevertheless, the last month the monthly change in the value of the MCI was greater than 0.2 percent was February 2012, when the Index rose 0.3 percent. Similarly, the year-over-year changes in the value of the MCI contracted following the revision as well. Prior to the revision, the year-over-year changes in the MCI exceeded 2.0 percent in five months total during 2013 and 2014. Post-revision, as seen in Figure 23, no year-over-

year changes exceeded 2.0 percent during 2013 or 2014; the maximum change in value was 2.0 percent, which occurred once in November 2013.

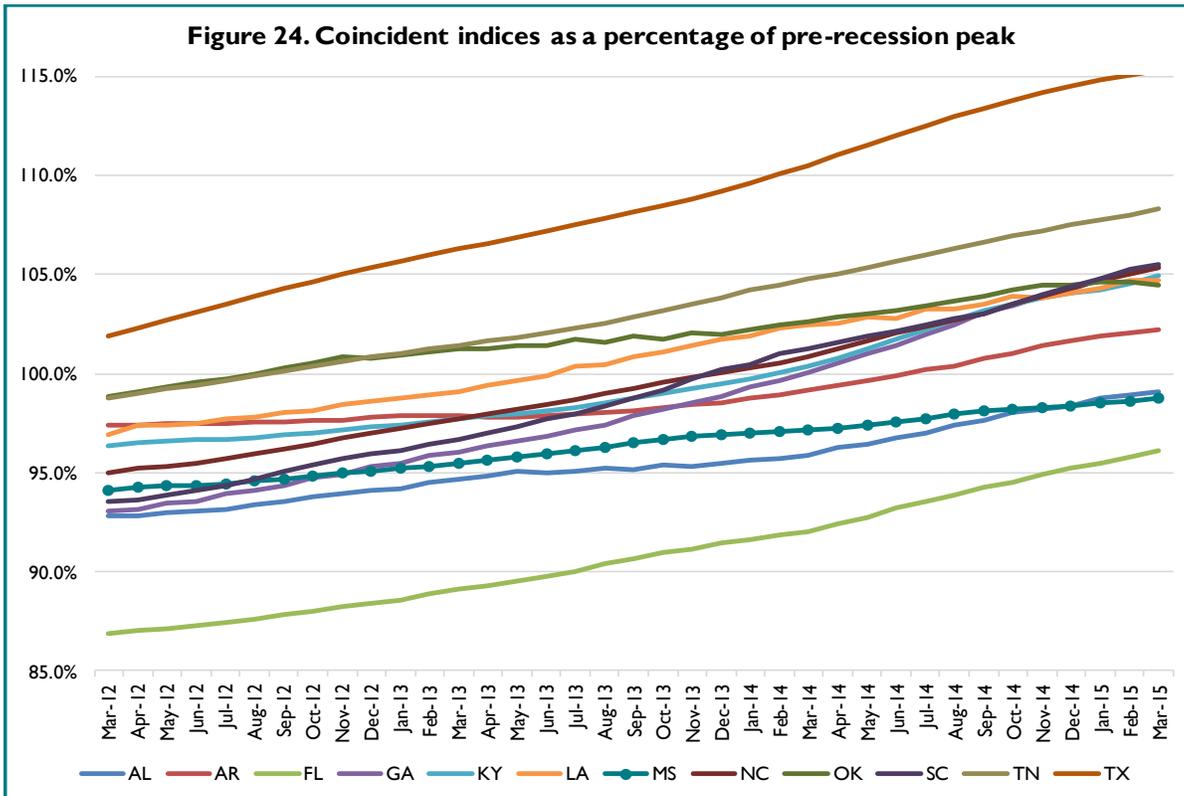
The volatility of the MCI clearly declined following the Banks’s revisions, particularly over the past two years. However, the most significant change, one not readily apparent from Figure 23, involves the overall level of the MCI. Prior to the Bank’s revisions, the value of the MCI exceeded its pre-recession peak as early as December 2013 and equaled or exceeded the peak in ten of twelve months in 2014. However, following revisions, the value of the MCI has yet to reach its pre-recession peak. In fact, the MCI reached its highest level relative to the peak in March when the value equaled 98.8 percent of the February 2008 value as seen in Figure 12 on page 4. While prior to the revisions the value of the MCI only exceeded its pre-recession peak by small margins—usually 1.0 percent or less—the Bank’s revisions clearly scaled down the values. Thus, the relative performance of the MCI both to its prior levels and those of the other states in the southeast region decreased after the revisions, which can be seen in Figure 24 on page 12. As of March 2015 the only state in the Southeast with a coincident index lying farther below its pre-recession peak than the MCI is Florida. The value of the coincident index for Florida in March equaled 96.1 percent of its pre-recession peak, well below all other states in the region. The only other state where the value of its coincident index was below its pre-recession peak as of March was Alabama, which equaled 99.1 percent of its peak. However, prior to the revisions, the value of the coincident index for Alabama was below that of Mississippi, an indication of the change in the relative positions of some states in the region. More evidence of the relative differences between the states after the revision is indicated by Figure 24, as all other states as of March have coincident indices with values at least 102.2 percent of their pre-recession peaks. Texas continues to outpace all other states in the region as the value of its coincident index equaled 115.3 percent of its pre-recession peak in March. Clearly, the revisions to the employment data of the U.S. Bureau of Labor Statistics can affect significantly the coincident indices of the Federal Reserve Bank of Philadelphia. *Mississippi’s Business* will continue to monitor the index for important signals about the state’s economy.

MISSISSIPPI'S BUSINESS

REVISIONS TO THE MISSISSIPPI COINCIDENT INDEX, CONTINUED



Source: Federal Reserve Bank of Philadelphia



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