



## ECONOMY AT A GLANCE

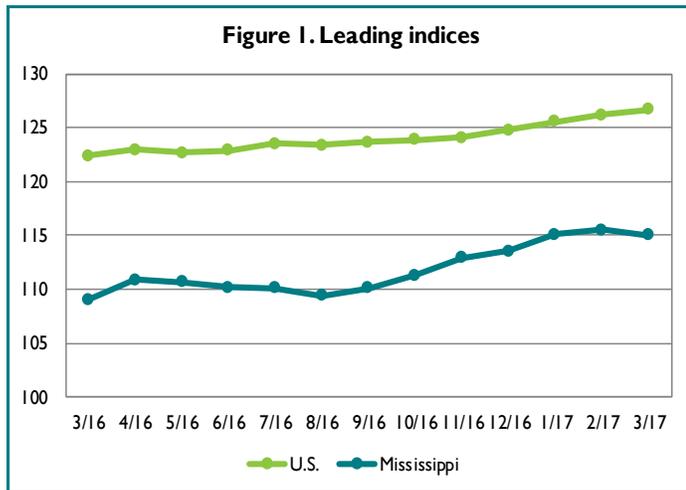
The value of the Mississippi Leading Index (MLI) decreased in March after six consecutive months of gains. The MLI declined in value by 0.4 percent for the month as seen in Figure 1 below. Nevertheless, the value of the MLI was 5.5 percent higher in March compared to one year ago.

Figure 2 below indicates the value of the Mississippi Coincident Index (MCI) increased 0.2 percent in March. Compared to one year ago this value was 2.5 percent higher for the month.

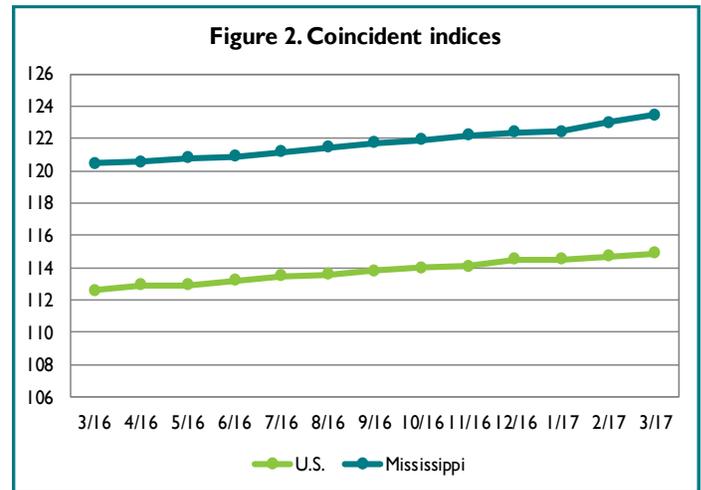
In its initial estimate of the change in U.S. real gross domestic product (GDP) for the first quarter of 2017, the U.S. Bureau of Economic Analysis (BEA) reported an increase of 0.7 percent. This increase marks the smallest quarterly growth in the U.S. economy since the first quar-

ter of 2014 when real GDP fell 1.2 percent. Growth slowed from the 2.1 percent increase in real GDP in the fourth quarter of 2016 mainly due to a decline in consumer spending. Durable goods purchases fell, and warmer weather in most of the country reduced expenditures on home heating, which contributed to the drop in spending.

The recent run of the MLI came to an end in March. Much of the optimism that greeted 2017 has faded, as reflected in the declines in consumer expectations and the ISM Manufacturing Index. However, withholdings in the state reached their highest level in almost a year and while building permits declined in March their value remains relatively elevated. The question remains if gains such as those experienced in early 2017 can provide Mississippi's economy with the momentum it has lacked in recent years.



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 2017

For the first time since August 2016, the value of the **Mississippi Leading Index of Economic Indicators (MLI)** fell in March. As seen in Figure 3 the value declined 0.4 percent. Compared to one year ago the value of the MLI was 5.5 percent higher in March. The MLI increased in value by 4.5 percent over the last six months.

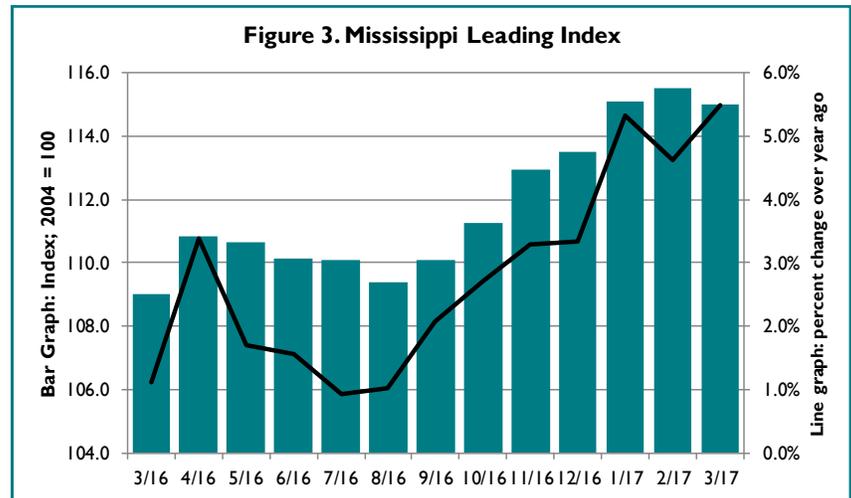
Losses were widespread among the components of the MLI in March. Only withholdings contributed positively for the month, reaching its highest level in almost a year. Each component is discussed below in order of largest to smallest contribution.

For the third consecutive month, the value of **Mississippi income tax withholdings**

(three-month moving average) increased in March. As seen in Figure 4, the value climbed 2.8 percent for the month. The value was 3.5 percent higher in March compared to one year ago following the increase. The three-month moving average of withholdings rose 0.5 percent over the last six months.

Figure 5 indicates the value of **U.S. retail sales** fell 0.2 percent in March. The value in fact declined for the second consecutive month as February sales were revised down from a 0.1 percent increase to a 0.3 percent decrease. U.S. retail sales in March were 5.2 percent higher compared to one year ago. Declines in sales were generally widespread; the largest decreases were in automobiles and building materials. The largest increase occurred in electronics and appliances. Sales excluding gasoline and automobiles were up 0.1 percent as gasoline sales decreased for the second consecutive month.

As Figure 6 indicates, the value of seasonally-adjusted **initial unemployment claims** in Mississippi rose 4.8 percent in March. This value was 14.9 percent lower compared to one year ago. Despite the increase, the value of initial claims remained in a relatively narrow range over the last six months. Figure 14 on page 6 indicates the value of seasonally-adjusted continued unemployment claims in Mississippi decreased 4.7 percent in March, the fourth decline in the last five months. Compared to one year ago the number of continued claims in Mississippi in March was down 13.5 percent. As seen in Figure 15 on page 6, the seasonally-adjusted unemployment rate in Mississippi decreased 0.2 percentage point to 5.0 percent in March. Compared to one year ago this rate was lower by 1.0



Source: University Research Center

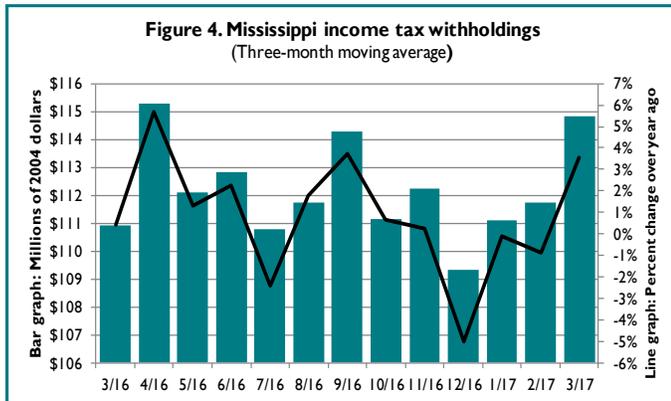
percentage point. A 5.0 percent seasonally-adjusted unemployment rate last occurred in Mississippi in January 2001 and equals the lowest monthly rate recorded for the state in data going back to 1976.

In March, the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) declined for the second consecutive month. As Figure 7 indicates, the Index fell 1.3 percent for the month to its lowest level since November. The value of the Index remained 7.1 percent higher in March compared to one year ago. Fewer consumers expected the country to experience good times over the next year than in the previous survey.

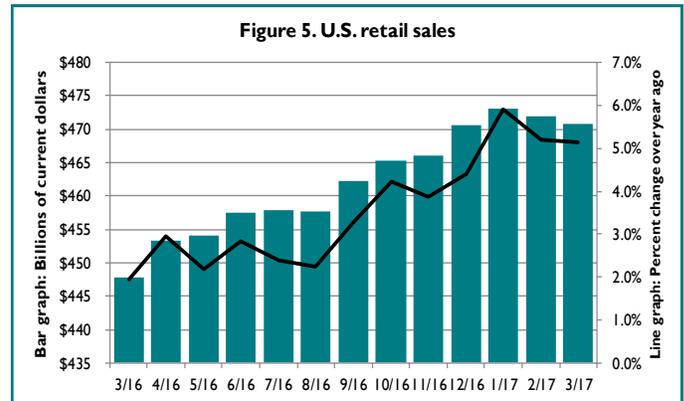
The value of **Mississippi residential building permits** (three-month moving average) declined in March, breaking a streak of six consecutive months of increases. As Figure 8 indicates, the value fell 3.2 percent. Nevertheless, compared to one year ago the value in March was 42.5 percent higher, the largest year-over-year increase since July 2012. The seasonally-adjusted number of units for which building permits were issued (three-month moving average) in Mississippi also declined in March, falling 4.0 percent from the previous month. The number of units for the month was 61.2 percent higher compared to one year ago, however. In contrast the number of privately-owned housing units in the U.S. authorized by building permits increased 3.6 percent in March from the revised February value. The number of units in the U.S. for the month was 17.0 percent higher compared to March 2016.

(Continued on page 4)

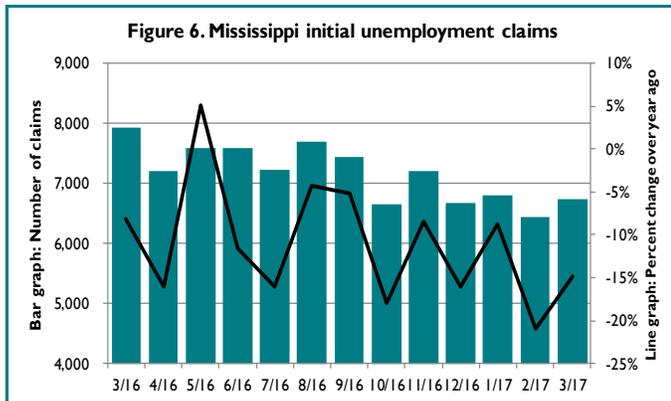
# COMPONENTS OF MISSISSIPPI LEADING INDEX, IN FIGURES



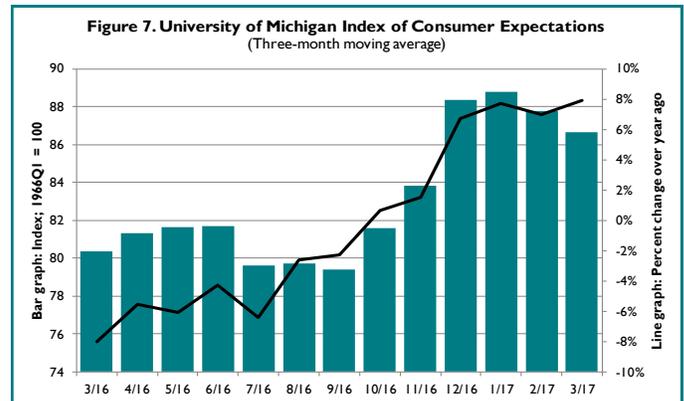
Source: Mississippi Department of Revenue; seasonally adjusted



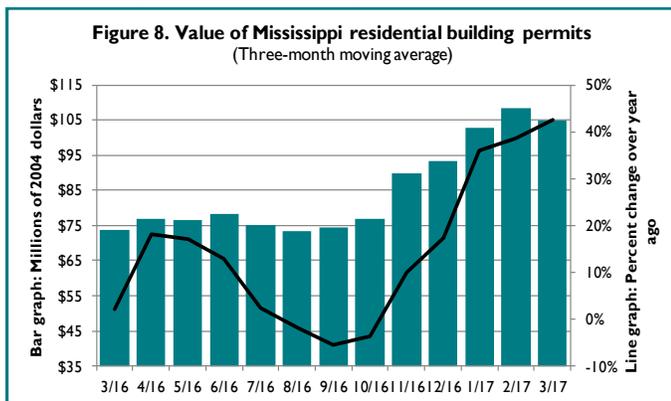
Source: Bureau of the Census



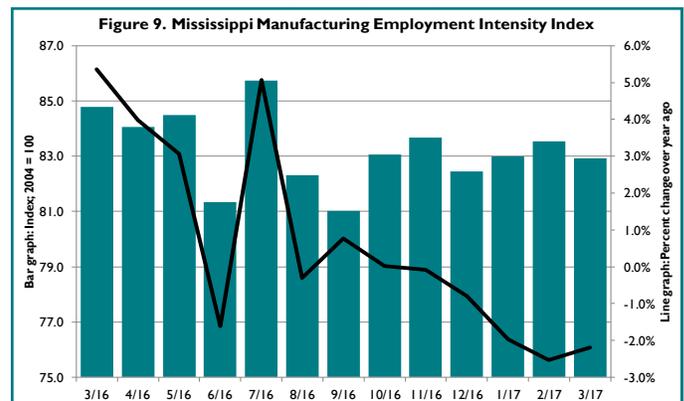
Source: U.S. Department of Labor; seasonally adjusted



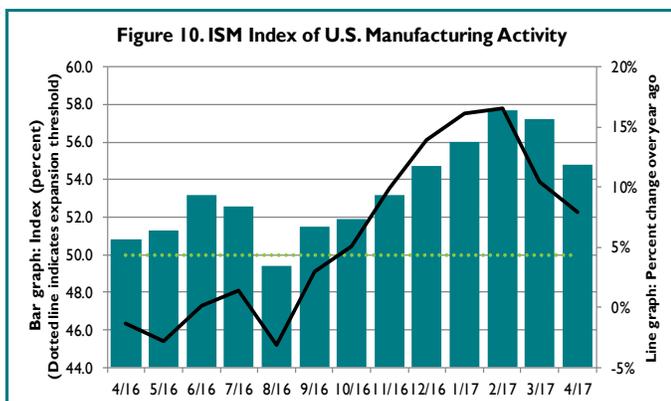
Source: Thomson Reuters/University of Michigan Surveys of Consumers



Source: Bureau of the Census; seasonally adjusted



Source: URC using data from Bureau of Labor Statistics



Source: Institute for Supply Management

*After six consecutive monthly increases the value of the Mississippi Leading Index (MLI) decreased 0.4 percent in March.*

**MISSISSIPPI'S BUSINESS**

**MISSISSIPPI LEADING INDEX, MARCH 2017 (CONTINUED)**

In March the value of the **Mississippi Manufacturing Employment Intensity Index** fell 0.7 percent as seen in Figure 9. Compared to one year ago the value of the Index was down 2.2 percent for the month. The average weekly hours of production employees and Manufacturing employment in the state both fell slightly in March. Over the last six months the value of the Index increased 2.2 percent.

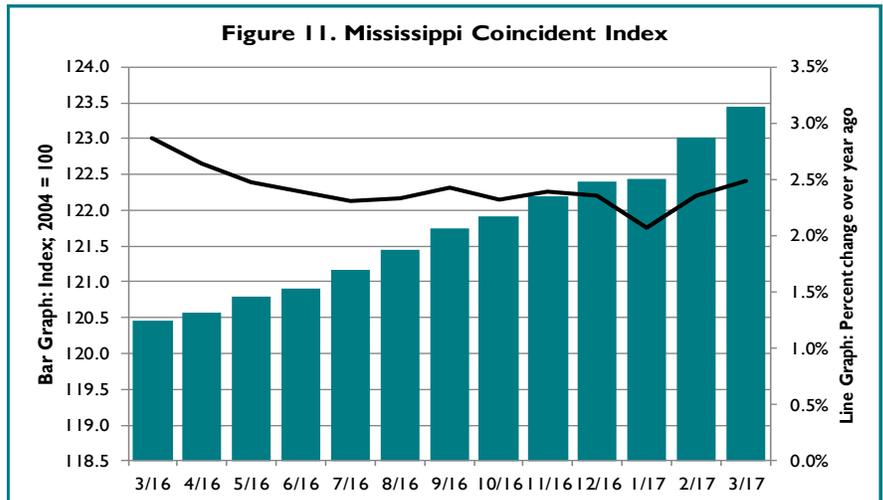
Figure 10 indicates the value of the **Institute for Supply Management Index of U.S. Manufacturing Activity** fell for the second consecutive month in April. The value decreased 4.2 percent for the month, its largest decline since July 2016. Compared to one year ago the value of the Index remained 7.9 percent higher in March. The largest decline in April occurred in the New Orders component of the Index while the Production and Inventories components increased for the month.

**MISSISSIPPI COINCIDENT INDEX, MARCH 2017**

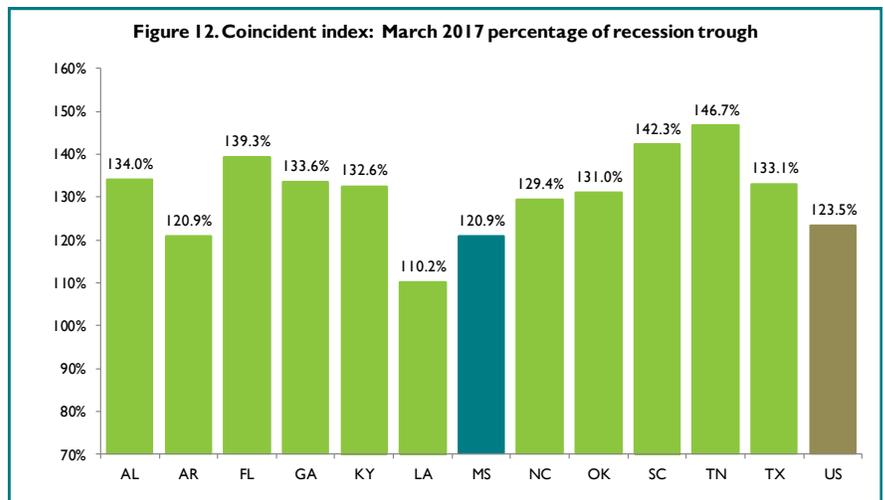
As seen in Figure 11, in March the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** rose 0.2 percent according to the Federal Reserve Bank of Philadelphia. Compared to one year ago the value of the MCI for the month was 2.5 percent higher.

Once again in March the smallest increase in the value of the coincident index from its recession trough among southeastern states occurred in Louisiana, which remained only 10.2 percent higher. Arkansas and Mississippi were tied for the next smallest increase of 20.9 percent. Tennessee maintained the largest increase in the coincident index from its recession trough among all southeastern states as of March, up 46.7 percent.

As seen in Figure 13 on page 5 the values of the coincident indices increased in forty-six states in March compared to three months prior. In thirty-nine states, including Mississippi, the values of the coincident indices increased more than 0.5 percent. The value of the coincident indices increased by less than 0.5 percent compared to three months prior in seven states. Connecticut, Delaware, and Michigan experienced declines in the value of the coincident index between 0.0 and 0.5 percent in March compared to December. The only state with a coincident index that declined more than 0.5 percent in March compared to three months prior was Massachusetts.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

## NATIONAL TRENDS

The Conference Board reported the value of the U.S. Leading Economic Index (LEI) increased 0.4 percent in March as Figure 1 on page 1 indicates. Compared to one year ago the value of the LEI was 3.5 percent higher for the month. Eight of the ten components made positive contributions in March and the largest contribution came from the interest rate spread. The value of the LEI increased 2.4 percent over the last six months.

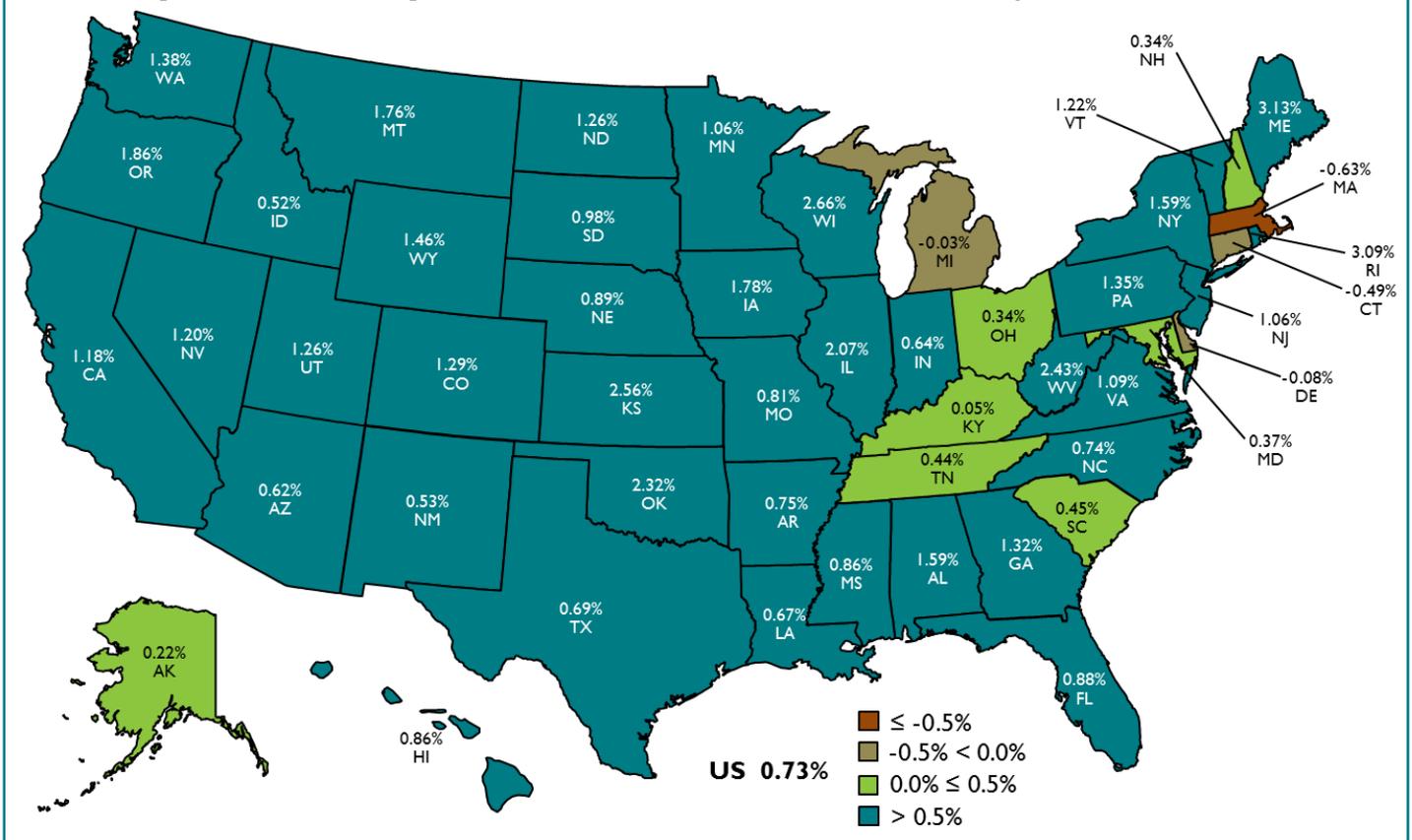
As seen in Figure 2 on page 1 the value of the U.S. Coincident Economic Index (CEI) increased 0.2 percent in March according to The Conference Board. The value was 2.0 percent higher for the month compared to one year ago. In March all four components of the CEI increased as industrial production made the largest contribution. Over the last six months the value of the CEI rose 1.0 percent.

The value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index fell in March for the second consecutive month. As seen in Figure 20 on page 6, the value declined 0.6 percent from

February. Nevertheless, the value remained well above levels of most of 2016. The value of the Index in February was 13.3 percent higher in March compared to one year ago. Losses among the components of the Index were generally widespread, as only “plans to increase employment” and “plans to make capital expenditures” increased. The largest decline occurred in the “expect real sales higher” component.

Following the increase of 0.25 basis points in the federal funds rate at its March meeting, the Federal Open Market Committee (FOMC) voted unanimously to make no changes at its May meeting. A number of analysts believe the FOMC will raise interest rates again at its next meeting in June. The Federal Reserve intends to raise rates two more times in 2017, and many analysts believe these increases will take place in June and September. The April employment report marked a return to relatively strong job growth following a lackluster March, which most observers blamed on weather conditions. The FOMC will likely interpret the April job gains as another sign the U.S. economy continues to expand.

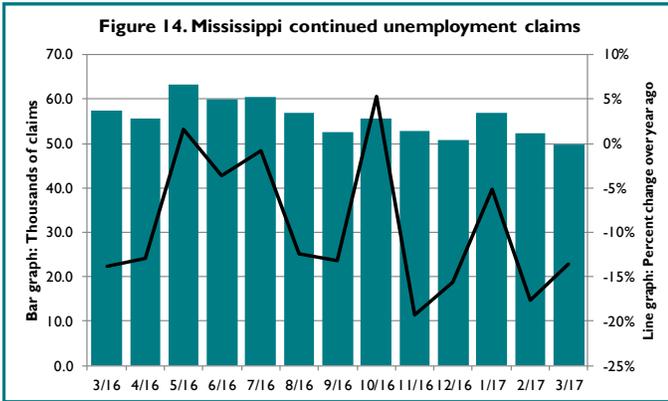
Figure 13. Three-month growth in the coincident index of economic indicators by state, March 2017



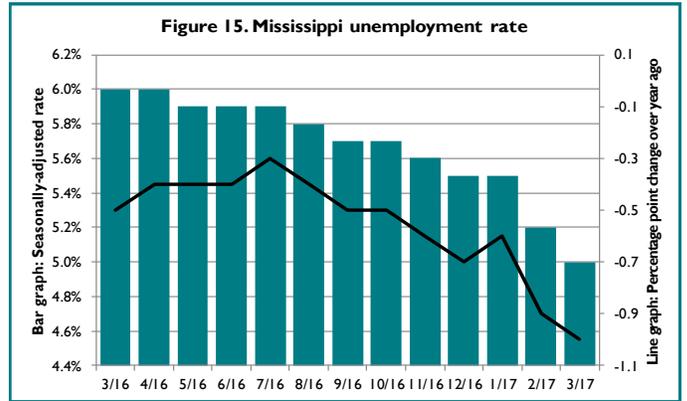
Source: Federal Reserve Bank of Philadelphia

MISSISSIPPI'S BUSINESS

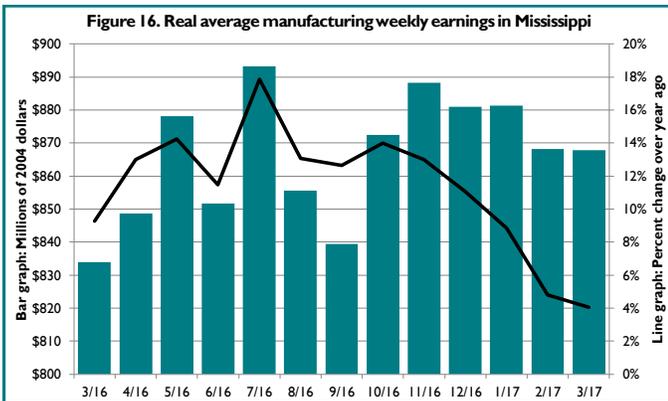
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



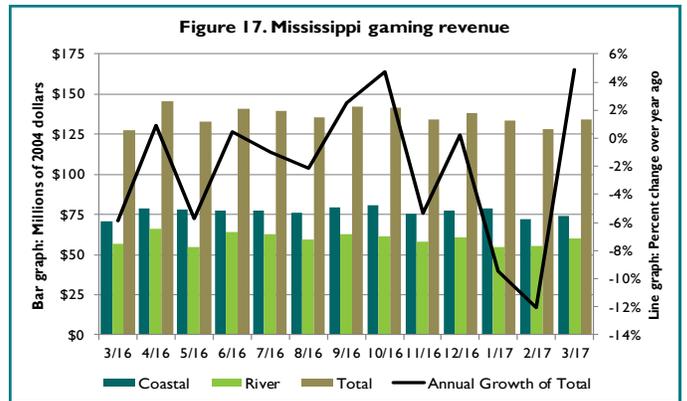
Source: U.S. Department of Labor; seasonally adjusted



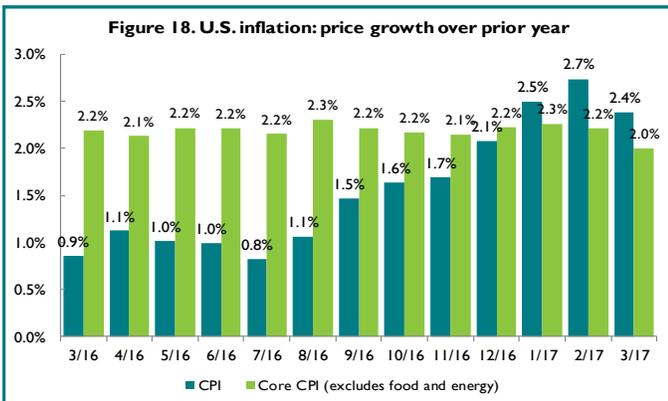
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



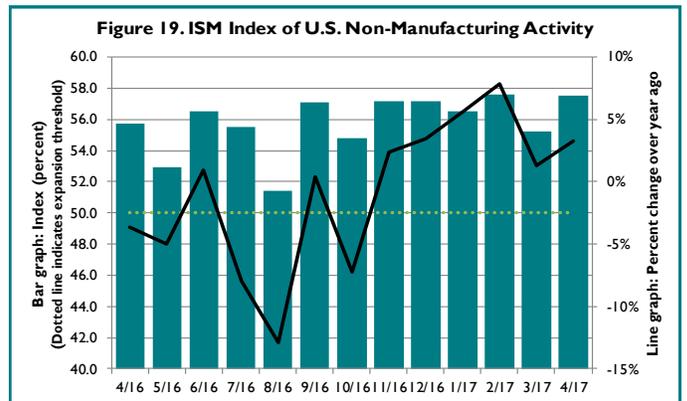
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



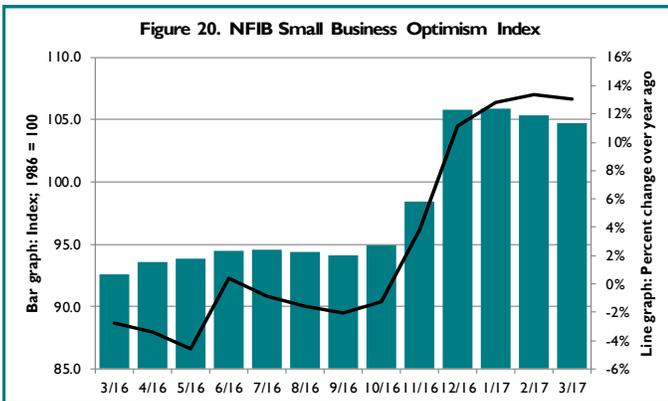
Source: Mississippi Department of Revenue; seasonally adjusted



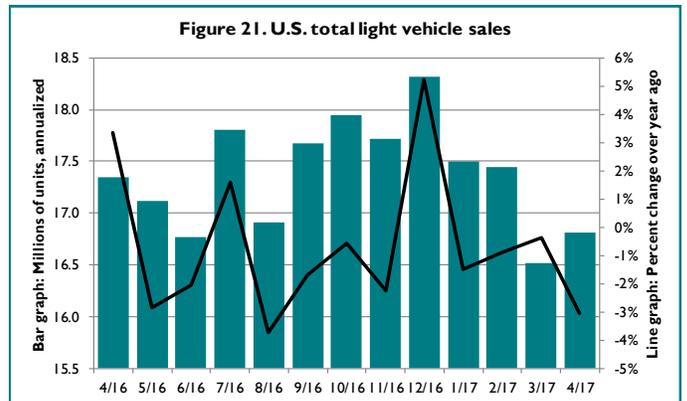
Source: U.S. Bureau of Labor Statistics



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 2017	February 2017	March 2016	Percent change from February 2017 March 2016		
<b>U.S. Leading Economic Index</b> 2004 = 100. Source: The Conference Board	126.7	126.2	122.4	▲0.4%	▲3.5%	Economic Indices
<b>U.S. Coincident Economic Index</b> 2004 = 100. Source: The Conference Board	114.9	114.7	112.6	▲0.2%	▲2.0%	
<b>Mississippi Leading Index</b> 2004 = 100. Source: University Research Center	115.0	115.5	109.0	▼0.4%	▲5.5%	
<b>Mississippi Coincident Index</b> 2004 = 100. Source: Federal Reserve Bank of Philadelphia	123.5	123.3	120.5	▲0.2%	▲2.5%	
<b>Mississippi initial unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	6,743	6,434	7,923	▲4.8%	▼14.9%	Components of the Mississippi Leading Index
<b>Value of Mississippi residential building permits</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Bureau of the Census	105.0	108.4	73.6	▼3.2%	▲42.5%	
<b>Mississippi income tax withholdings</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	114.8	111.7	110.9	▲2.8%	▲3.5%	
<b>Mississippi Manufacturing Employment Intensity Index</b> 2004 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	82.9	83.5	84.8	▼0.7%	▼2.2%	
<b>University of Michigan Index of Consumer Expectations</b> Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	86.7	87.8	80.3	▼1.3%	▲7.9%	
<b>ISM Index of U.S. Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	54.8	57.2	50.8	▼4.2%	▲7.9%	
<b>U.S. retail sales</b> Current dollars, in billions. Source: Bureau of the Census	470.8	471.9	447.8	▼0.2%	▲5.2%	
<b>U.S. Consumer Price Index (CPI)</b>	129.1	129.0	126.1	▲0.1%	▲2.4%	Miscellaneous Indicators
<b>U.S. Core CPI (excludes food and energy)</b> 2004 = 100. Source: URC using data from Bureau of Labor Statistics	127.6	127.8	125.1	▼0.1%	▲2.0%	
<b>Mississippi unemployment rate</b> Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	5.0%	5.2%	6.0%	▼0.2	▼1.0	
<b>Mississippi continued unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	49,741	52,183	57,525	▼4.7%	▼13.5%	
<b>ISM Index of U.S. Non-Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	57.5	55.2	55.7	▲4.2%	▲3.2%	
<b>U.S. mortgage rates</b> Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	4.25%	4.25%	3.72%	◀0.00	▲0.53	
<b>Mississippi average hourly wage for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	20.59	20.61	19.46	▼0.1%	▲5.8%	
<b>Mississippi average weekly earnings for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	867.87	868.14	834.02	◀0.0%	▲4.1%	
<b>NFIB Small Business Optimism Index</b> 1986 = 100. Source: National Federation of Independent Businesses	104.7	105.3	92.6	▼0.6%	▲13.1%	
<b>U.S. total light vehicle sales</b> Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.81	16.51	17.34	▲1.8%	▼3.1%	
<b>Gaming revenue</b>	134.1	128.1	127.9	▲4.7%	▲4.9%	
<b>Coastal counties</b>	74.2	72.4	71.1	▲2.5%	▲4.4%	
<b>River counties</b> Seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	59.9	55.7	56.8	▲7.6%	▲5.5%	

## MISSISSIPPI'S BUSINESS

## MISSISSIPPI EMPLOYMENT TRENDS

Following revisions by the U.S. Bureau of Labor Statistics (BLS), total nonfarm employment in Mississippi fell slightly in March for the second consecutive month. BEA reported the state lost 100 jobs in March, essentially no change in percentage terms. However, the agency revised February employment down by 1,700 jobs, which resulted in a decline of 400 jobs from the previous month. In March compared to one year ago employment in Mississippi was higher by 100 jobs, again essentially no change in percentage terms.

According to BEA three states experienced statistically significant increases in total nonfarm employment in March while four states experienced decreases. Washington, Tennessee, and Maine added the most jobs for the month and Maine experienced the largest percentage increase. The largest job losses for the month occurred in New Jersey, Pennsylvania, and Missouri, as the largest percentage decrease occurred in Missouri.

Statistically significant increases in employment compared to one year ago occurred in thirty-seven states in March. California, Texas, and Florida added the most jobs. The largest percentage increase occurred in Utah. As in previ-

ous months in March Alaska and Wyoming were the two states with statistically significant decreases in employment compared to one year ago.

The largest increase in employment for the month among all sectors in the state occurred in Health Care and Social Assistance, which added 1,300 jobs. The largest percentage increase among all industries was the 1.4 percent increase in Mining and Logging, a gain of 100 jobs. Trade, Transportation, and Utilities lost 2,300 jobs in March, the most among all sectors in the state. The largest percentage decrease in employment for the month was the 1.6 percent decline in Educational Services, a loss of 200 jobs.

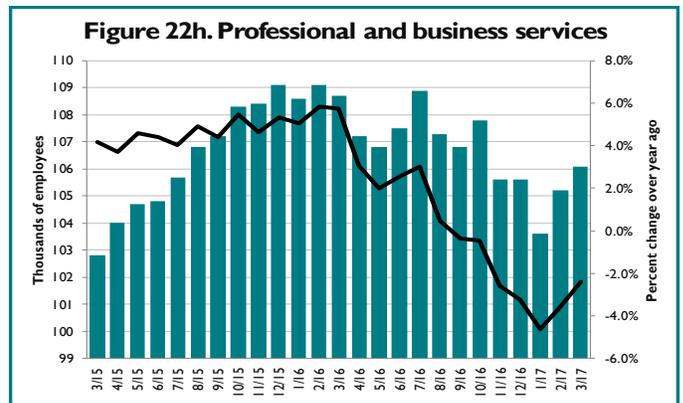
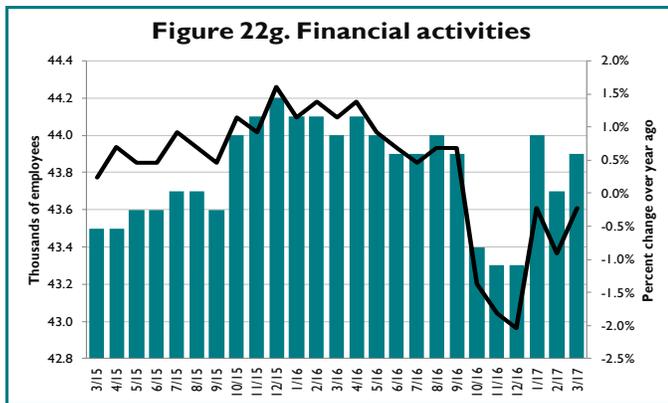
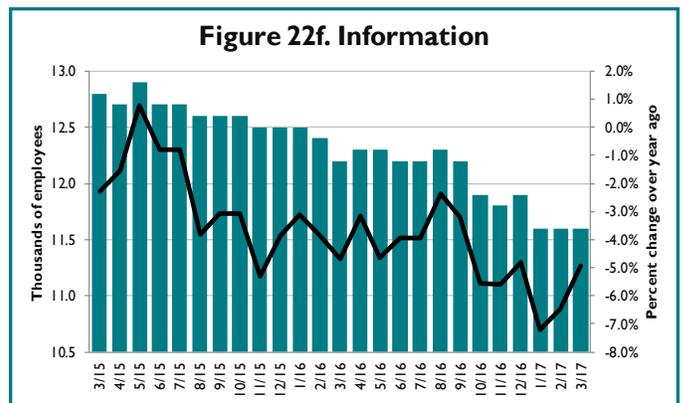
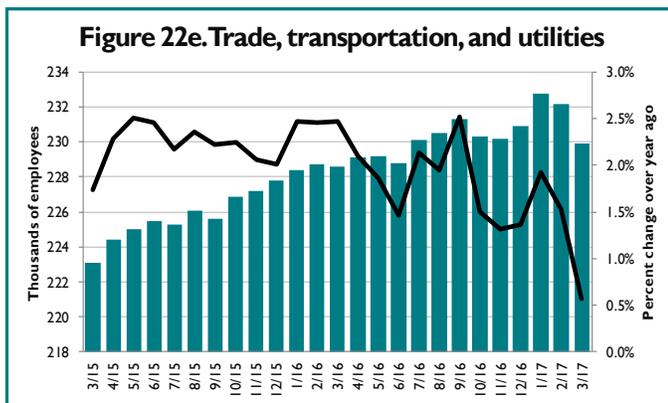
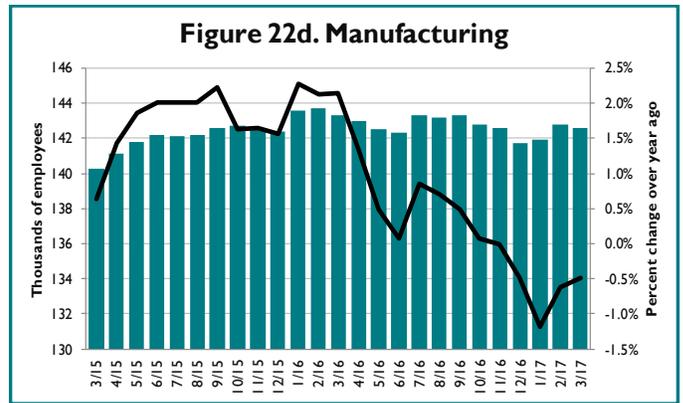
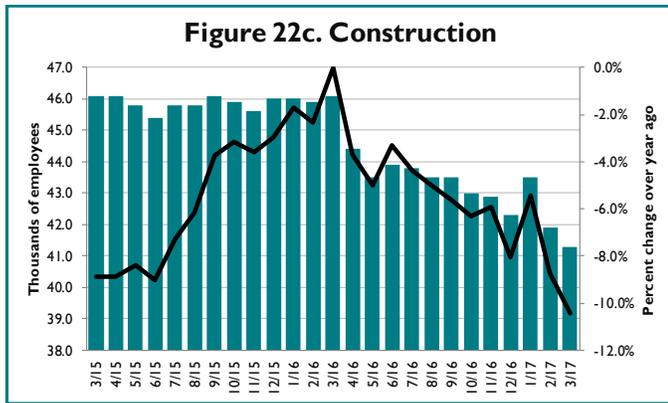
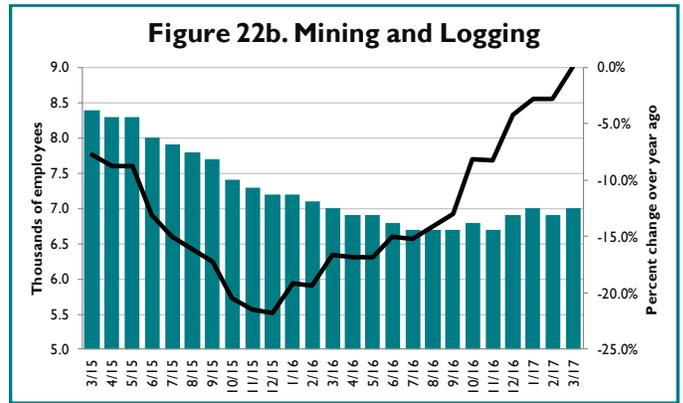
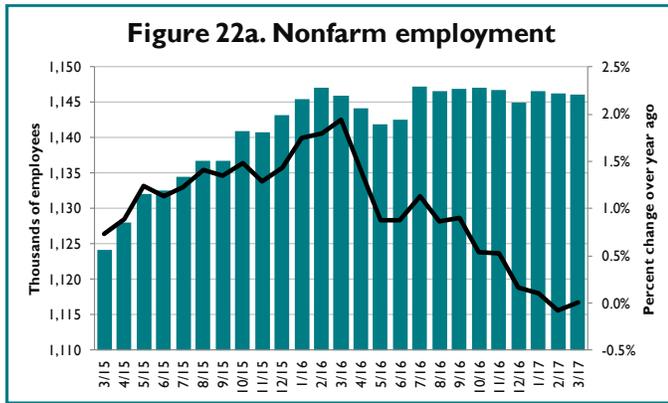
Compared to one year ago in March the largest increase in employment among all industries in Mississippi occurred in Health Care and Social Assistance, which added 3,400 jobs. The gain was also the largest percentage increase of 2.7 percent. Once again Construction experienced both the largest absolute and percentage declines in employment among all industries in the state compared to one year ago in March. The sector lost 4,800 jobs over the past twelve months, in percentage terms a decrease of 10.4 percent.

**Table 2. Change in Mississippi employment by industry, March 2017**

	Relative share of total <sup>a</sup>	March 2017	February 2017	March 2016	Change from February 2017		Change from March 2016	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,146,100	1,146,200	1,146,000	▼100	◀▶0.0%	▲100	◀▶0.0%
Mining and Logging	0.6%	7,000	6,900	7,000	▲100	▲1.4%	◀▶0	◀▶0.0%
Construction	3.8%	41,300	41,900	46,100	▼600	▼1.4%	▼4,800	▼10.4%
Manufacturing	12.5%	142,600	142,800	143,300	▼200	▼0.1%	▼700	▼0.5%
Trade, Transportation, & Utilities	20.1%	229,900	232,200	228,600	▼2,300	▼1.0%	▲1,300	▲0.6%
Retail Trade	12.2%	138,500	140,300	140,200	▼1,800	▼1.3%	▼1,700	▼1.2%
Information	1.0%	11,600	11,600	12,200	◀▶0	◀▶0.0%	▼600	▼4.9%
Financial Activities	3.8%	43,900	43,700	44,000	▲200	▲0.5%	▼100	▼0.2%
Services	36.8%	424,000	421,700	420,600	▲2,300	▲0.5%	▲3,400	▲0.8%
Professional & Business Services	9.3%	106,100	105,200	108,700	▲900	▲0.9%	▼2,600	▼2.4%
Educational Services	1.0%	12,100	12,300	11,800	▼200	▼1.6%	▲300	▲2.5%
Health Care & Social Assistance	11.3%	131,200	129,900	127,800	▲1,300	▲1.0%	▲3,400	▲2.7%
Arts & Entertainment	1.0%	11,500	11,600	11,300	▼100	▼0.9%	▲200	▲1.8%
Accommodation and Food Services	10.7%	122,700	122,400	120,800	▲300	▲0.2%	▲1,900	▲1.6%
Other Services	3.5%	40,400	40,300	40,200	▲100	▲0.2%	▲200	▲0.5%
Government	21.4%	245,800	245,400	244,200	▲400	▲0.2%	▲1,600	▲0.7%

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

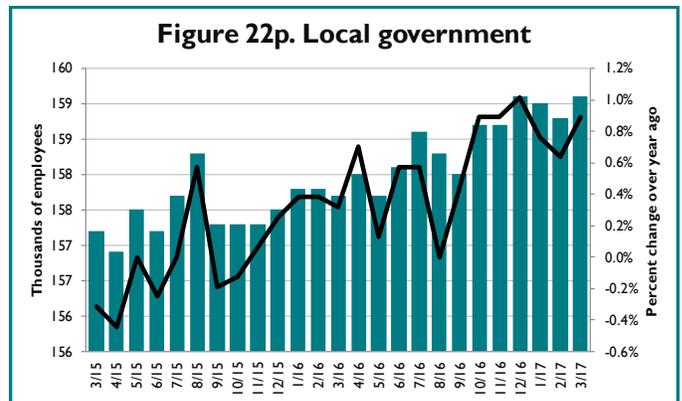
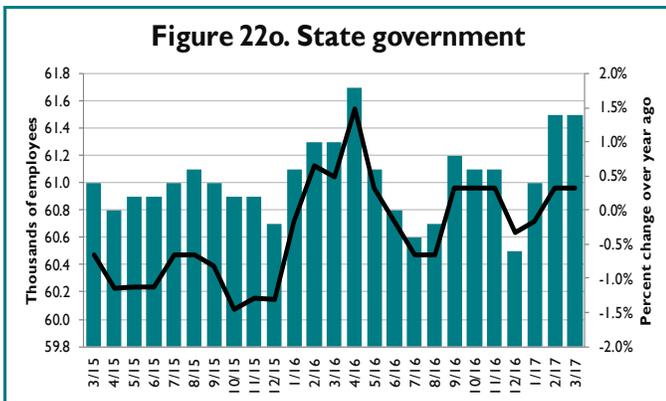
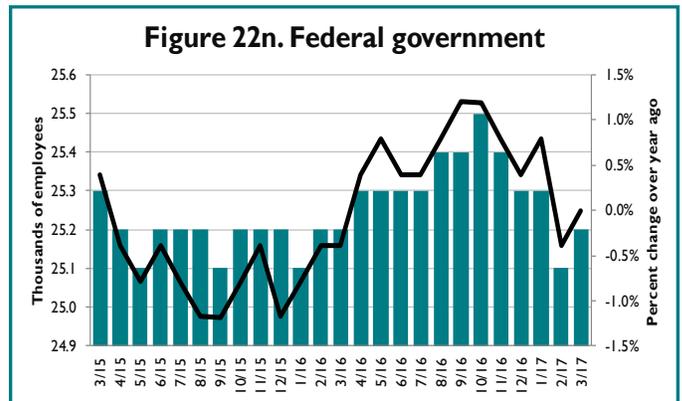
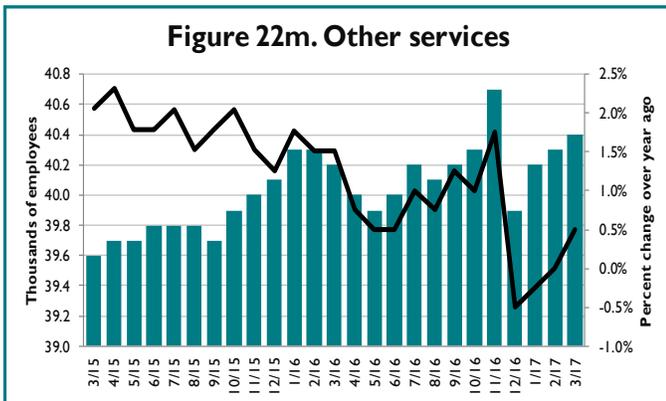
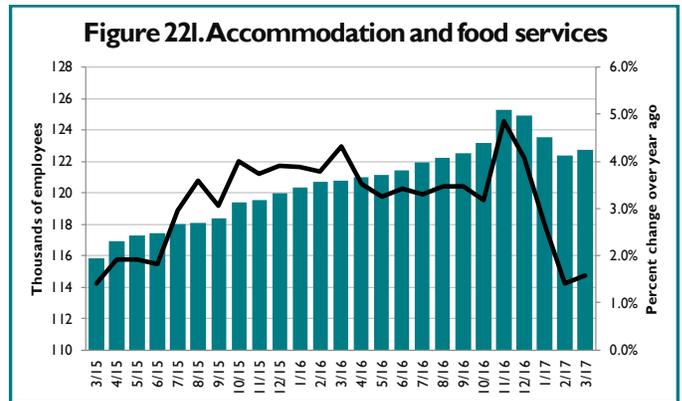
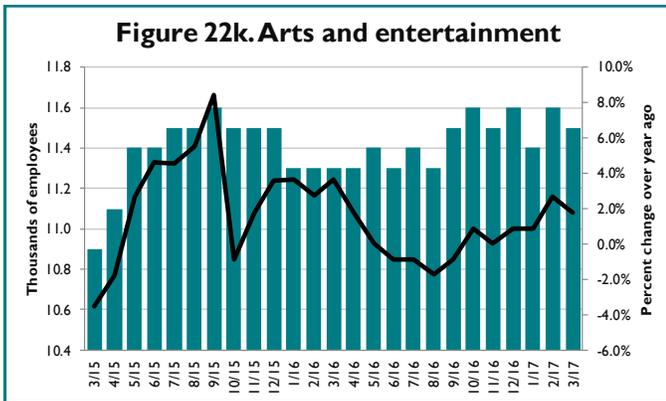
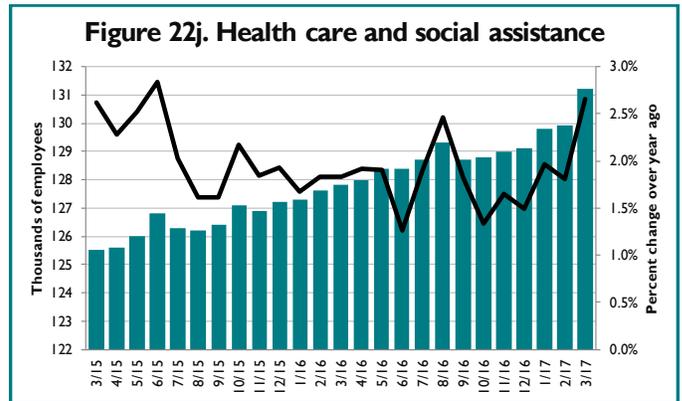
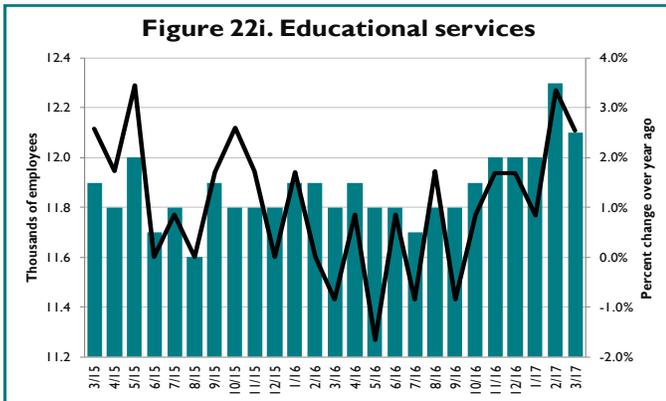
# MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



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

## CHANGE IN MISSISSIPPI REAL GDP IN 2016

The U.S. Bureau of Economic Analysis (BEA) recently released its preliminary estimate of the change in real GDP by state for 2016. According to BEA, the Mississippi economy grew 0.8 percent in 2016. In addition, the estimate of real GDP growth for the state for 2015 was revised down to 0.3 percent from 0.5 percent. This latest data release indicates the Mississippi economy expanded in four of the last five years; real GDP contracted 1.2 percent in 2014.

The contributions to the 0.8 percent increase in the state's real GDP by sector in 2016 are listed in Table 3 below from largest to smallest. (BEA's preliminary estimates only include the changes in major industries.) Table 3 indicates in 2016 two sectors were responsible for almost half of the growth in Mississippi's economy. Manufacturing and Agriculture, Forestry, Fishing, and Hunting contributed 0.26 and 0.23 percentage point, respectively, to total growth. Retail Trade closely followed these two industries with a contribution of 0.20 percentage point. More sectors made positive contributions to the state's real GDP growth in 2016 than in 2015. These sectors include Retail Trade, Health Care and Social Assistance, and Government, each of which increased real GDP by 0.10 to 0.15 percentage point. Government—which makes up the largest portion of Mississippi real GDP—expanded in 2016 for the first time since 2009. The remaining sectors that added to growth in 2016 made smaller contributions of less than 0.10 percentage point and include several service sectors. Wholesale Trade and Arts, Entertainment, and Recreation did not change real GDP in the state in 2016. All other sectors contributed negatively for the year. The Mining sector made the largest negative contribution to the change in real GDP, reducing it by 0.29 percentage point. The Construction industry reduced real GDP by 0.11 percentage point, the next largest negative contribution. Notably, Construction acted as a drag on real GDP growth in Mississippi for the third consecutive year in 2016 and for the seventh time in the last eight years.

Mississippi's real GDP growth ranked thirty-seventh among all states in 2016. As seen in Figure 23, the increase of 0.8 percent was the same as in Arkansas, New York, and Vermont. Among all states in the southeast region, the Mississippi's economy grew more than those of Louisiana, Oklahoma, and Texas. The largest growth in real GDP among states in the Southeast occurred in Florida and Georgia, as the economies of both states expanded by 3.0 percent. The largest rates of real GDP growth in 2016 among all states generally occurred in the West, the continuation of a trend in recent years. The

**Table 3. Contributions to percent change in Mississippi real GDP by sector, 2015-2016**

Sector	Percentage point
Manufacturing	0.26
Agriculture, Forestry, Fishing, and Hunting	0.23
Retail Trade	0.20
Health Care and Social Assistance	0.15
Utilities	0.13
Government	0.10
Professional, Scientific, and Technical Services	0.07
Administrative and Waste Management Services	0.06
Transportation and Warehousing	0.05
Management of Companies and Enterprises	0.03
Other Services, except Government	0.01
Wholesale Trade	0.00
Arts, Entertainment, and Recreation	0.00
Educational Services	-0.01
Information	-0.02
Accommodation and Food Services	-0.04
Finance, Insurance, Real Estate, Rental, and Leasing	-0.07
Construction	-0.11
Mining	-0.29
<b>Total<sup>†</sup></b>	<b>0.8%</b>

<sup>†</sup>Total may not add due to rounding. Source: U.S. Bureau of Economic Analysis

**MISSISSIPPI'S BUSINESS**

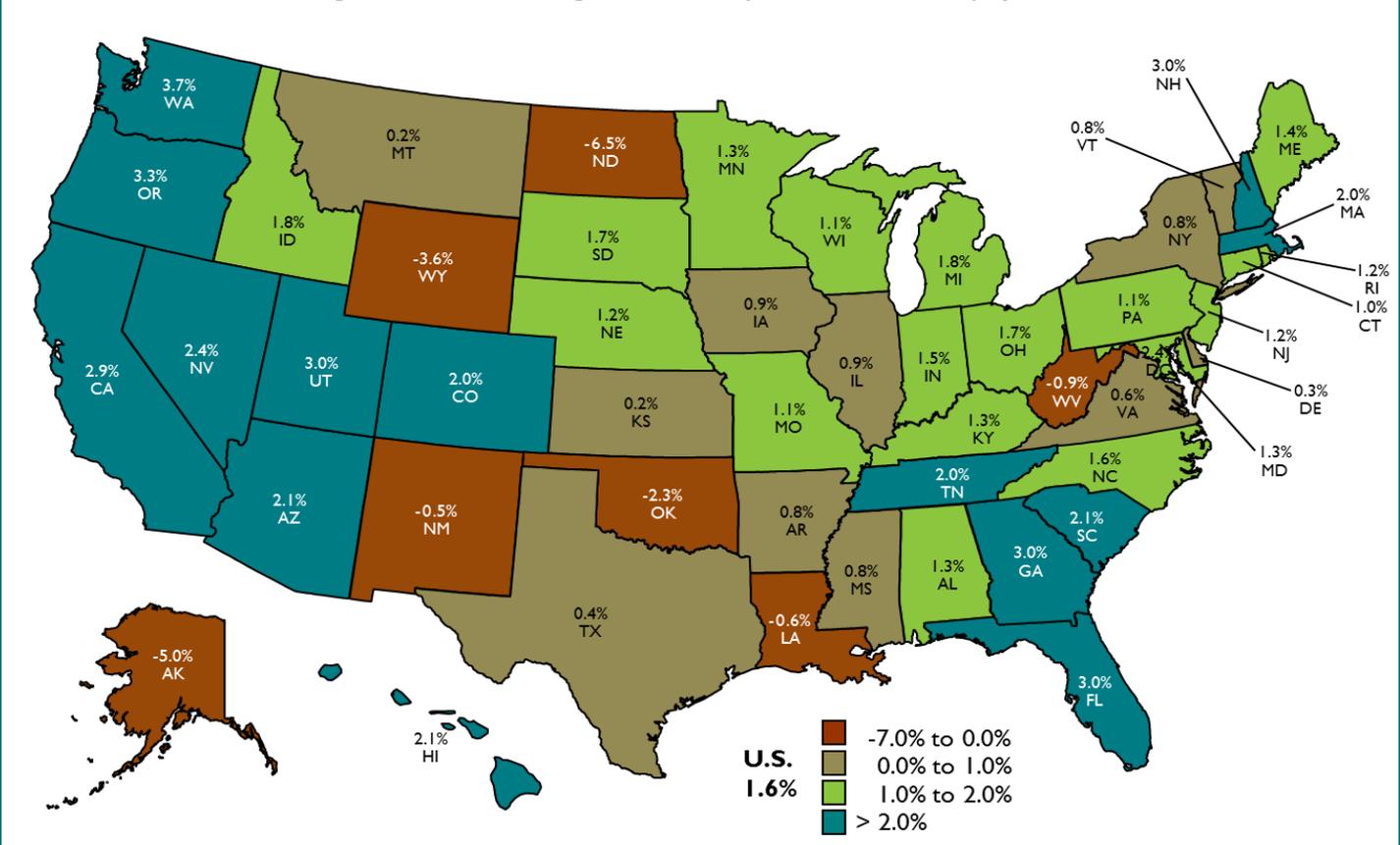
**CHANGE IN MISSISSIPPI REAL GDP IN 2016, CONTINUED**

largest increase among all states was the 3.7 percent growth in Washington, closely followed by the 3.3 percent growth in Oregon. In contrast, all states in the Midwest experienced growth of less than 2.0 percent in 2016, while Massachusetts and New Hampshire were the only states in the Northeast where real GDP grew at least 2.0 percent.

Real GDP contracted in seven states in 2016 as seen in Figure 23. North Dakota experienced the largest contraction of 6.5 percent, followed by the 5.0 percent contraction in Alaska and the 3.6 percent contraction in Wyoming. Notably, all seven states with economies that contracted also have relatively large energy sectors, including Louisiana and Oklahoma in the Southeast. The larger and more diverse economy of Texas was not completely insulated from these effects as the state's real GDP increased by only 0.4 percent.

The GDP data by state from BEA should be viewed with a couple of caveats. The 2016 numbers as noted previously represent a preliminary estimate and use 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 definition of GDP. State GDP, however, is derived from incomes earned and costs of production. While the Mississippi economy continues to grow relatively slowly, the consecutive years of growth in 2015 and 2016 represent a positive development.

**Figure 23. Percent change in real GDP (chained 2009 dollars) by state, 2016**



Source: U.S. Bureau of Economic Analysis