



ECONOMY AT A GLANCE

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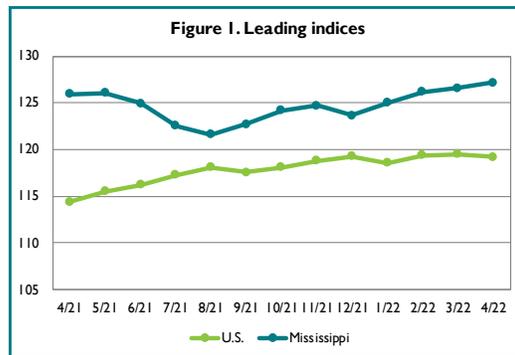
Figure 1 indicates the value of the Mississippi Leading Index (MLI) increased 0.5 percent in April. The value of the MLI for the month was up 1.0 percent compared to one year earlier.

As seen in Figure 2 the value of the Mississippi Coincident Index (MCI) increased 0.2 percent in April. Compared to one year ago the value for the month was 3.7 percent higher.

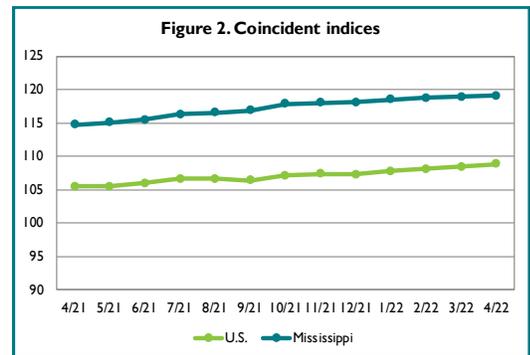
In its second estimate of the change in U.S. real GDP in the first quarter of 2022 the U.S. Bureau of Economic Analysis (BEA) reported a decrease of 1.5 percent at a seasonally-adjusted, annualized rate. This estimate represents a decrease of 0.1 percentage point from BEA's first estimate. The reduction in the second estimate was mainly the result of downward revisions to private inventory investment and residential fixed investment. These

downward revisions were partially offset by upward revisions to consumer spending and exports. The decrease in net exports remained a primary contributor to the contraction in real GDP in the first quarter.

April was another mixed bag for the Mississippi economy, but in terms of the MLI the positives once again slightly outweighed the negatives. Income tax withholdings had a strong month and initial unemployment claims continued their recent robust performance. At the same time, both building permits and the Mississippi Manufacturing Employment Intensity Index fell in April, and payroll employment decreased slightly for the second consecutive month. While both inflation and uncertainty remain relatively high, the state's economy will keep growing, albeit at a slower pace than in 2021, if consumer spending remains steady.



Sources: University Research Center and The Conference Board



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

Notes: The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2012. The index is based on changes in nonfarm employment, the unemployment rate, average manufacturing work-week length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2012.

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

The value of the **Mississippi Leading Index of Economic Indicators** (MLI) rose 0.5 percent in April as seen in Figure 3, the fourth consecutive monthly increase. Compared to one year earlier the value of the MLI in April was up 1.0 percent. Over the last six months the value of the MLI increased 2.4 percent.

In April four of the seven components of the MLI increased in value. The largest contribution for the month came from income tax withholdings. Each component is discussed below in order of largest to smallest contribution.

As Figure 4 indicates, the value of **Mississippi income tax withholdings** (three-month moving average) increased 2.1 percent in April. The monthly gain was the largest since August 2021. The value of withholdings in April was 3.5 percent higher compared to one year earlier. Over the last six months the value of income tax withholdings in Mississippi rose 3.1 percent.

In April the number of seasonally-adjusted **initial unemployment claims** in Mississippi fell 9.7 percent as seen in Figure 5, the eighth consecutive monthly decrease. Compared to one year earlier the April value was 76.1 percent lower. The number of seasonally-adjusted continued unemployment claims in Mississippi sank 28.0 percent in April as seen in Figure 16 on page 6, the fifth consecutive monthly decrease. The number of continued unemployment claims in the state for the month was 85.7 percent lower compared to one year earlier. As seen in Figure 17 on page 6 the seasonally-adjusted unemployment rate in Mississippi in April was 4.1 percent, a decrease of 0.1 percentage point from March. The rate was down 2.1 percentage points compared to one year earlier. The April unemployment rate of 4.1 percent was another series low for Mississippi in the BLS data that go back to 1976.

The value of **U.S. retail sales** rose 0.9 percent in April as seen in Figure 6. Furthermore, March sales were revised up from an increase of 0.5 percent to an increase of 1.4 percent. The value of sales in April was up 8.2 percent compared to one year earlier. Sales excluding automobiles were up 0.6 percent for the month. Sales of Motor Vehicles and Parts increased the most since January, and had the largest increase among all segments in April. Sales at gasoline stations had the largest decline for the month among all segments. The only other segments that saw a decrease in sales in April were Sporting Goods and Hobbies and Building Materials.

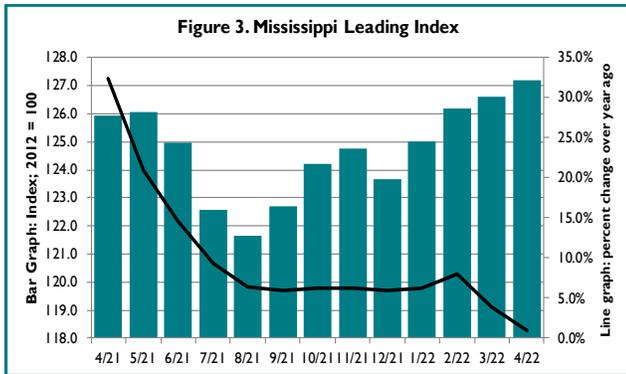
The **ISM Index of U.S. Manufacturing Activity** rose in value by 1.3 percent in May as seen in Figure 7, its first increase since February. Compared to one year earlier the value for the month was 8.3 percent lower, the sixth consecutive month with a year-over-year decrease in the Index. Inventories had the largest increase among all components of the Index in May. The New Orders and Production components also increased. The decrease in the Employment component was the first time the value fell into contraction territory since last October. Supplier Deliveries decreased in April and no industry reported faster supplier delivery times for the month. The prices paid index fell for the second consecutive month.

The value of **Mississippi residential building permits** (three-month moving average) decreased 1.5 percent in April as seen in Figure 8. The value for the month was down 4.0 percent compared to one year earlier. The number of units in the state rose 1.3 percent in April, the third consecutive monthly increase. The number of units in the state for the month was up 4.7 percent compared to one year earlier. The number of privately-owned housing units authorized by building permits in the U.S. fell 3.2 percent in April from the revised March rate. The number of units in the U.S. in April was up 3.1 percent compared to one year earlier.

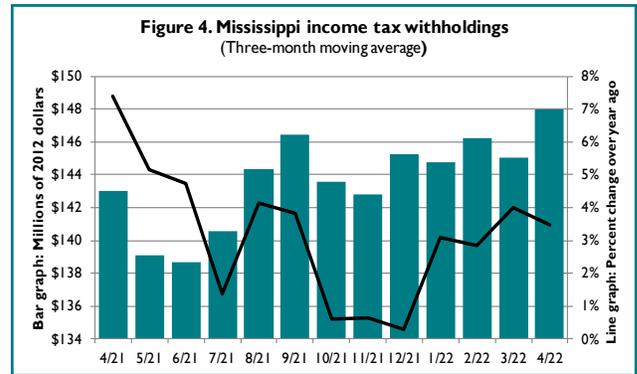
The **Mississippi Manufacturing Employment Intensity Index** fell in value by 1.1 percent in April as seen in Figure 9. In addition, the March value was revised down from an increase of 0.6 percent to a decrease of 0.7 percent. The value in April was 2.9 percent higher compared to one year earlier. Manufacturing employment in the state rose 0.4 percent for the month but this increase was more than offset by the 1.5 percent decline in the average weekly hours of production employees in Mississippi in April.

Figure 10 indicates the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) dropped 2.4 percent in April, the tenth decrease in the last eleven months. The value in April was down 28.7 percent compared to one year earlier. Concerns among consumers about higher gasoline prices returned, while the overall level of inflation continued to weigh on consumers' outlooks. A volatile stock market also created unease among consumers. Short-term (one-year) inflation expectations edged slightly lower in the most recent survey while long-term (five-year) inflation expectations were unchanged.

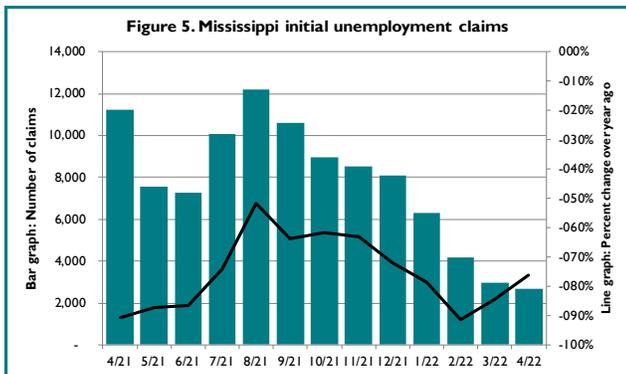
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



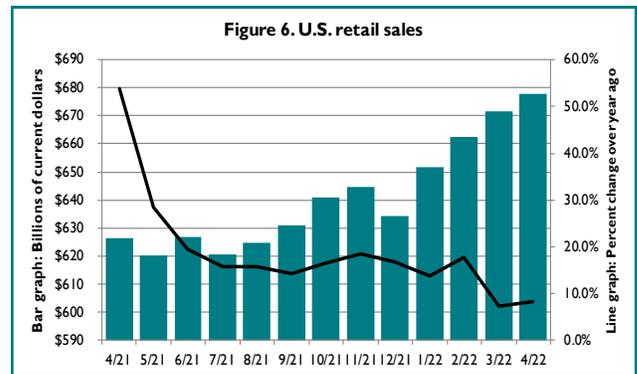
Source: University Research Center



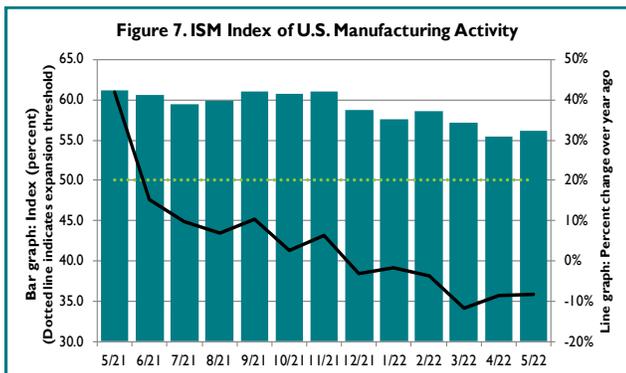
Source: Mississippi Department of Revenue; seasonally adjusted



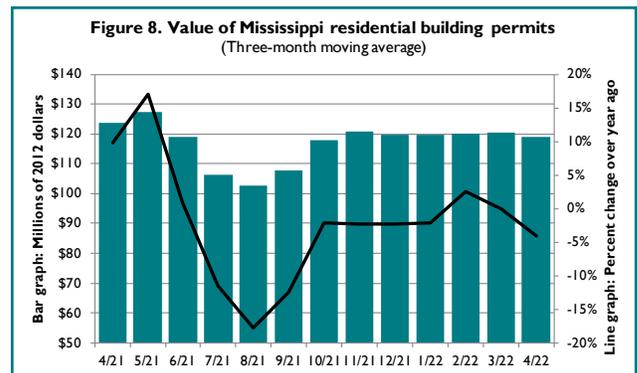
Source: U.S. Department of Labor; seasonally adjusted



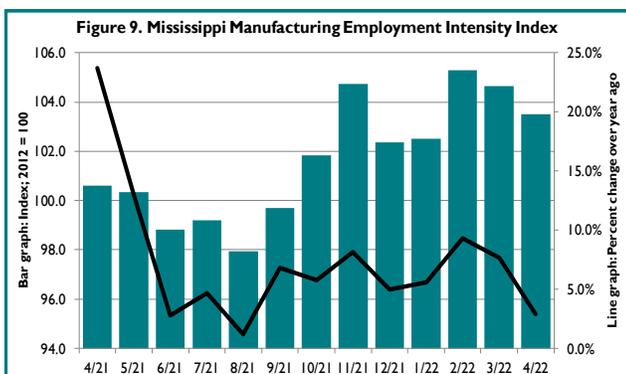
Source: U.S. Bureau of the Census



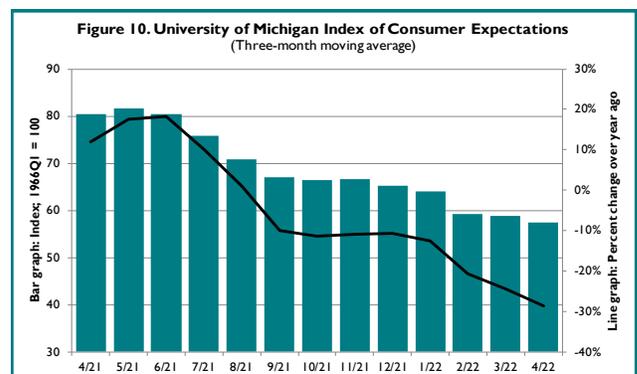
Source: Institute for Supply Management



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



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



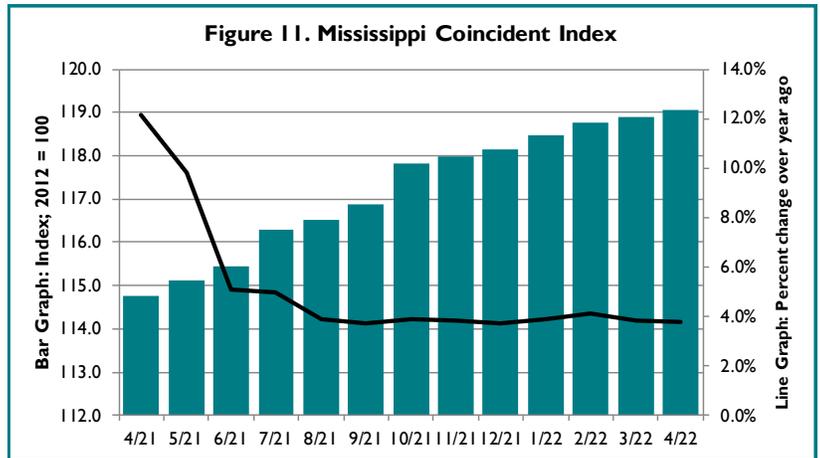
Source: Thomson Reuters/University of Michigan Surveys of Consumers

MISSISSIPPI'S BUSINESS

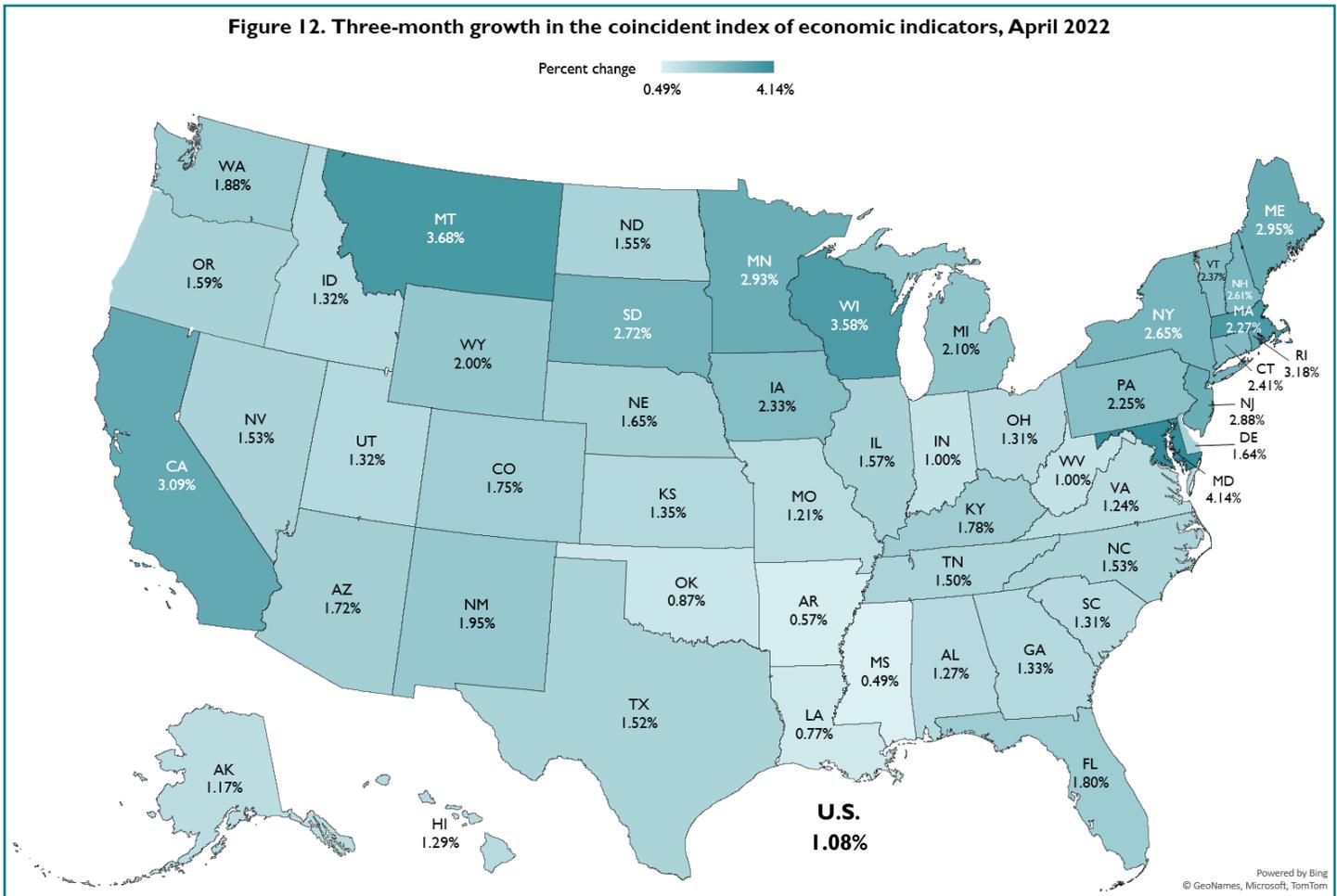
MISSISSIPPI COINCIDENT INDEX, APRIL 2022

The value of the **Mississippi Coincident Index of Economic Indicators (MCI)** increased 0.2 percent in April according to the Federal Reserve Bank of Philadelphia as seen in Figure 11. The value of the MCI in April was 3.7 percent higher compared to one year earlier.

As in March, the values of the coincident indices increased in all fifty states in April compared to three months earlier as Figure 12 indicates. The largest increase in the value of the coincident index occurred in Maryland, where the coincident index rose more than 4.0 percent over the last three months. The values of coincident indices increased between 2.0 percent and 4.0 percent in seventeen states in April compared to January. In twenty-nine states the values of the coincident indices increased from 1.0 percent to less than 2.0 percent over the last three months. Mississippi was one of four states where the values of the coincident indices increased less than 1.0 percent in April compared to January; the gain in Mississippi was the smallest among all states.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

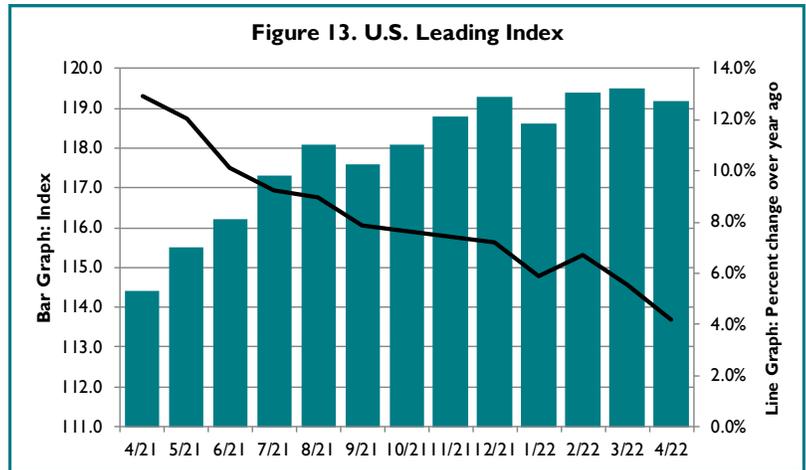
NATIONAL TRENDS

In April the value of the U.S. Leading Economic Index (LEI) decreased 0.3 percent according to The Conference Board as seen in Figure 13. Compared to one year earlier the value of the LEI was 4.2 percent higher for the month. Five of the ten components of the LEI made negative contributions in April. The largest negative contribution came from average consumer expectations for business conditions. The value of the LEI increased 0.9 percent over the last six months.

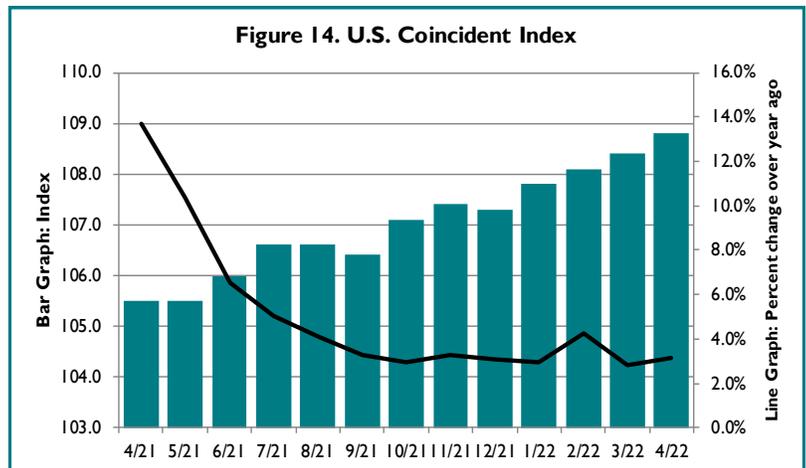
The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) increased 0.4 percent in April as Figure 14 indicates. Compared to one year earlier the value of the CEI for the month was 3.1 percent higher. In April all four components of the CEI made positive contributions. As in March, the largest contribution came from industrial production. Over the last six months the value of the CEI rose 1.6 percent.

In April the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index was unchanged following three consecutive months of declines as seen in Figure 15. Compared to one year earlier the value of the Index in April was down 6.6 percent, which was the largest year-over-year decrease since February 2021. Five of the ten components of the Index decreased for the month. Notably, the “expect economy to improve” component was negative for half of the respondents. The only components that improved in March were the “plans to make capital expenditures” and “expect real sales higher”.

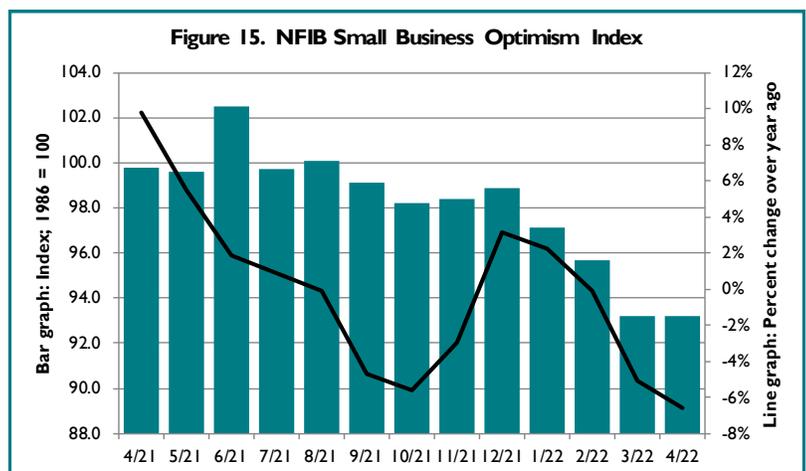
The minutes of the May meeting of the Federal Open Market Committee (FOMC) indicated a general consensus among members to increase the federal funds rate target by 50 basis points at its June and July meetings. What will happen at the September meeting, however, likely will depend on what happens to the rate of inflation between now and then. If inflation continues to moderate, the FOMC might increase the rate target by 25 basis points. A persistently high rate of inflation, on the other hand, means officials could move more aggressively with federal funds rate target increases of more than 50 basis points. Regardless, rate increases are expected to continue into 2023.



Source: The Conference Board



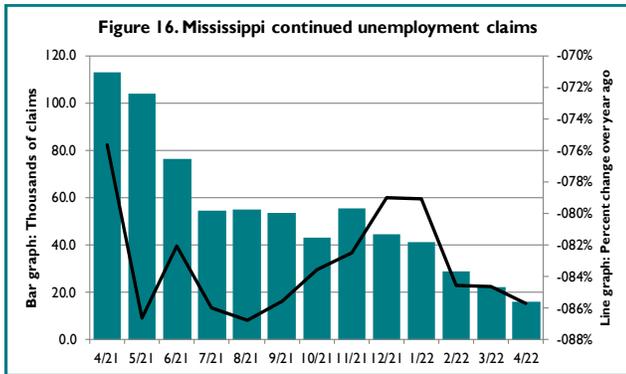
Source: The Conference Board



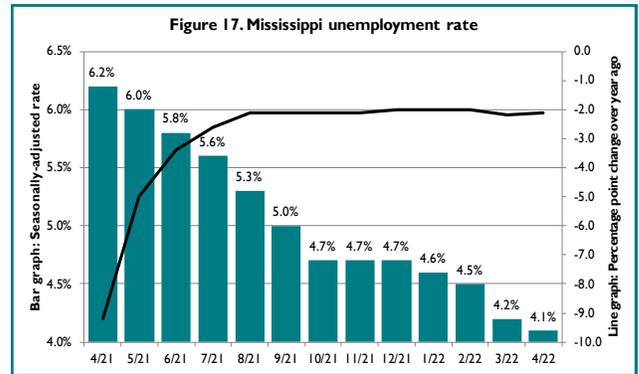
Source: National Federation of Independent Businesses

MISSISSIPPI'S BUSINESS

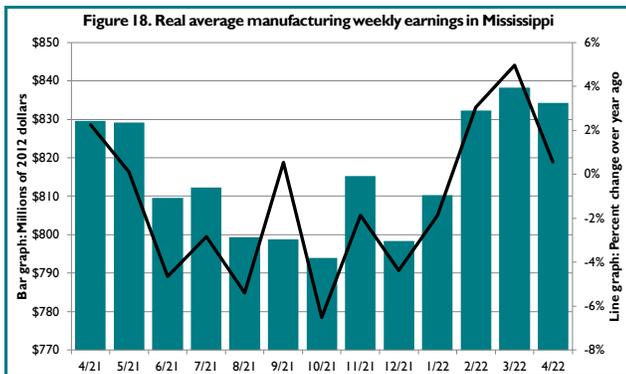
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



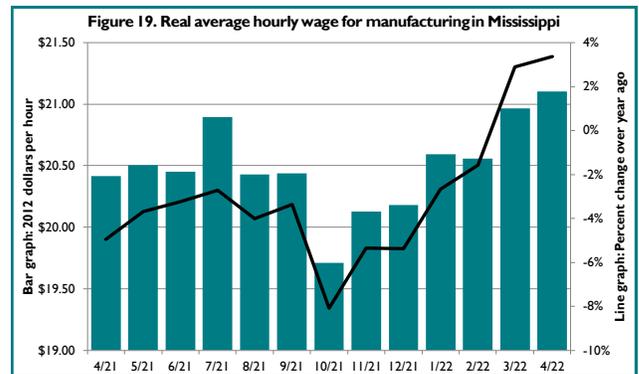
Source: U.S. Department of Labor; seasonally adjusted



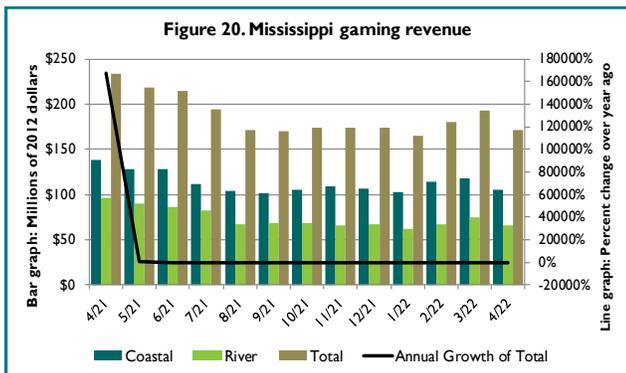
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



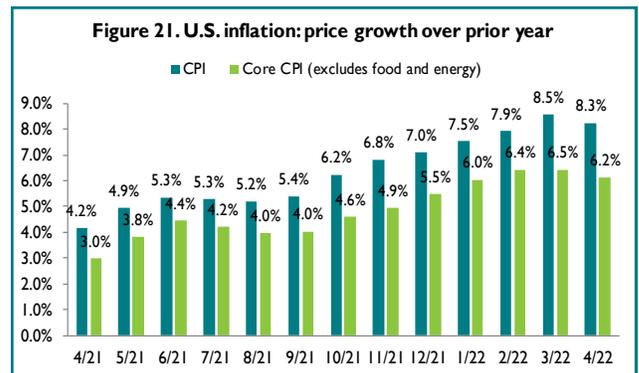
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



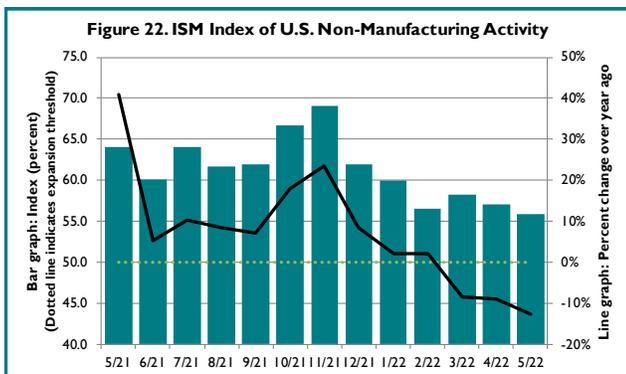
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



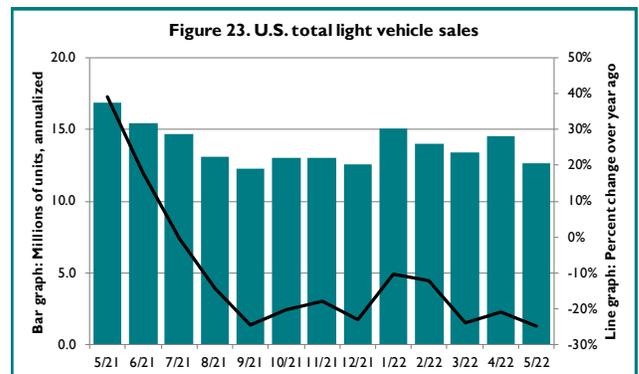
Source: Mississippi Department of Revenue; seasonally adjusted



Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



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

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	April 2022	March 2022	April 2021	Percent change from March 2022 April 2021	
U.S. Leading Economic Index 2012 = 100. Source: The Conference Board	119.2	119.5	114.4	▼0.3%	▲4.2%
U.S. Coincident Economic Index 2012 = 100. Source: The Conference Board	108.8	108.4	105.5	▲0.4%	▲3.1%
Mississippi Leading Index 2012 = 100. Source: University Research Center	127.2	126.6	125.9	▲0.5%	▲1.0%
Mississippi Coincident Index 2012 = 100. Source: Federal Reserve Bank of Philadelphia	119.1	118.9	114.8	▲0.2%	▲3.7%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	2,676	2,962	11,214	▼9.7%	▼76.1%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	118.9	120.6	123.9	▼1.5%	▼4.0%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	148.0	145.0	143.0	▲2.1%	▲3.5%
Mississippi Manufacturing Employment Intensity Index 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	103.5	104.6	100.6	▼1.1%	▲2.9%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	57.3	58.7	80.4	▼2.4%	▼28.7%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	56.1	55.4	61.2	▲1.3%	▼8.3%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	677.7	671.6	626.4	▲0.9%	▲8.2%
U.S. Consumer Price Index (CPI)	125.7	125.3	116.2	▲0.3%	▲8.3%
U.S. Core CPI (excludes food and energy) 2012 = 100. Source: URC using data from Bureau of Labor Statistics	126.4	125.7	119.1	▲0.6%	▲6.2%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	4.1%	4.2%	6.2%	▼0.1	▼2.1
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	16,201	22,500	113,237	▼28.0%	▼85.7%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	55.9	57.1	64.0	▼2.1%	▼12.7%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	4.82%	4.05%	2.97%	▲0.78	▲1.85
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	21.10	20.97	20.41	▲0.7%	▲3.4%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	834.27	838.20	829.52	▼0.5%	▲0.6%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	93.2	93.2	99.8	◀▶0.0%	▼6.6%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	12.68	14.50	16.89	▼12.6%	▼24.9%
Gaming revenue	170.87	192.51	233.9	▼11.2%	▼26.9%
Coastal counties	105.38	118.29	138.1	▼10.9%	▼23.7%
River counties Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue	65.48	74.21	95.8	▼11.8%	▼31.6%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

In April total nonfarm employment in Mississippi fell by 600 jobs according to the U.S. Bureau of Labor Statistics (BLS), a decrease of 0.1 percent. March and April marked the first consecutive months of decreases in employment in the state since January and February of 2021. BLS also revised March employment down by 500 jobs. Total nonfarm employment in Mississippi in April was higher by 29,900 jobs compared to one year earlier, a 2.7 percent increase.

BLS reported total nonfarm employment was higher in eleven states in April and was essentially unchanged in thirty-nine states and the District of Columbia. Texas added 62,800 jobs, the most among all states, followed by Florida, which added 58,600 jobs, and California, which added 41,400 jobs. In New Hampshire employment rose by 1.0 percent in April, the largest percentage increase among all states.

Employment increased in forty-nine states and the District of Columbia over the past twelve months as of April and was essentially unchanged in Delaware. The largest increase in employment among all states occurred in California, which added 925,200 jobs over the last twelve months. Texas added 742,000 jobs, the second largest increase among all states, followed by Florida, which add-

ed 517,100 jobs. The largest percentage increase in employment among all states over the last twelve months was the 8.0 percent increase in Nevada.

The Trade, Transportation, and Utilities sector in Mississippi added 1,000 jobs in April, the largest increase among all sectors in the state. Employment in Arts and Entertainment increased 2.1 percent in April, the largest percentage increase among all sectors in the state. The largest decrease in employment among all sectors for the month occurred in Professional and Business Services, which lost 2,100 jobs in April. The largest percentage decrease in employment for the month among all sectors in the state was the 3.3 percent decrease in Mining and Logging.

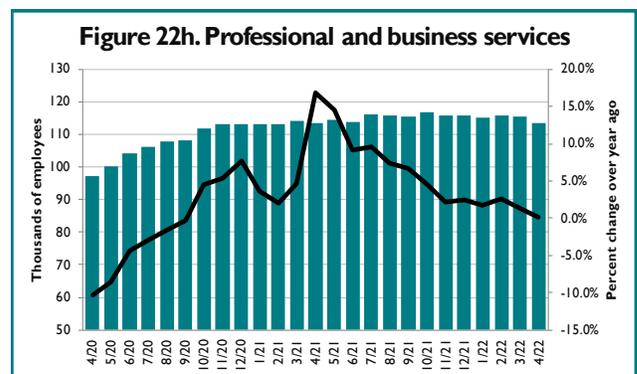
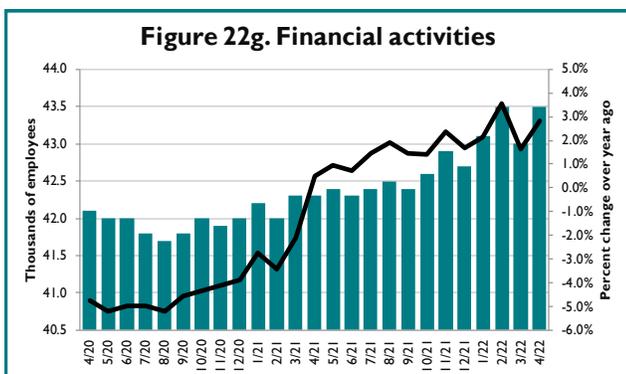
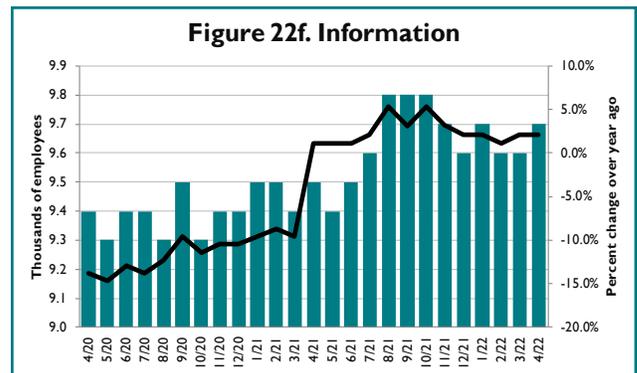
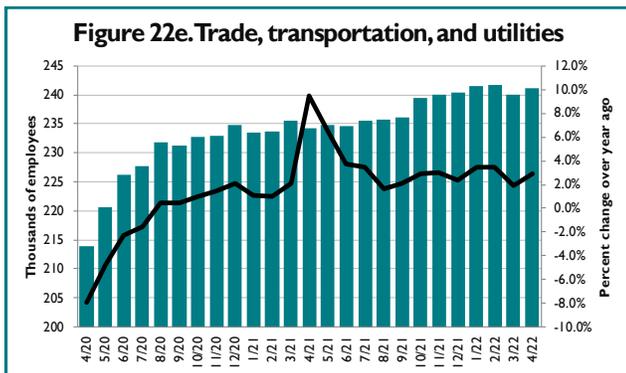
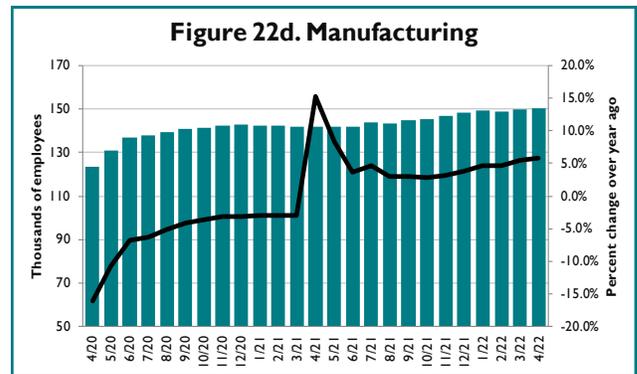
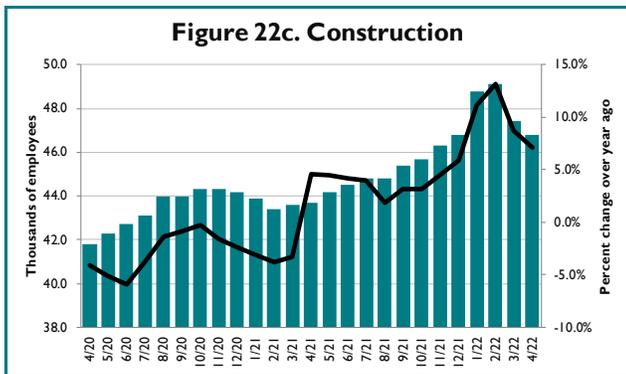
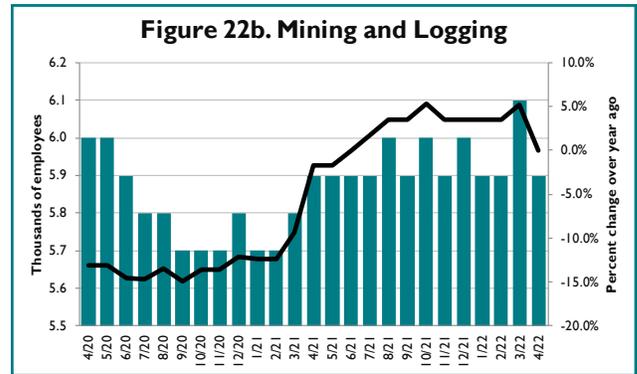
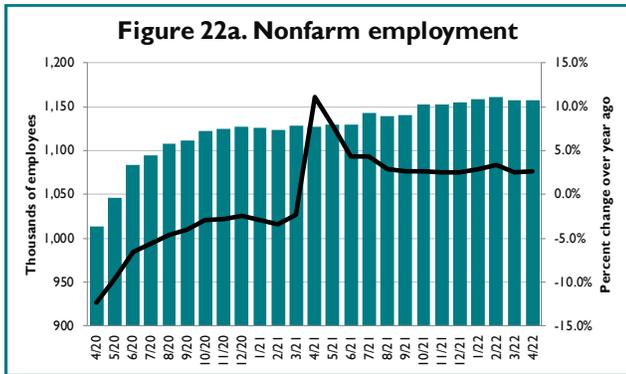
The Accommodation and Food Services sector added 9,800 jobs over the last twelve months as of April, the largest increase among all sectors in the state. Employment in the Arts and Entertainment sector was up 14.1 percent in April compared to one year earlier, the largest percentage increase among all sectors. Employment in Health Care and Social Assistance lost 900 jobs over the past twelve months, the most among all sectors. The largest percentage decrease in employment was the 1.0 percent decrease in Other Services.

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

	Relative share of total ^a	April 2022	March 2022	April 2021	Change from March 2022		Change from April 2021	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,157,000	1,157,600	1,127,100	▼600	▼0.1%	▲29,900	▲2.7%
Mining and Logging	0.5%	5,900	6,100	5,900	▼200	▼3.3%	◀▶0	◀▶0.0%
Construction	4.0%	46,800	47,400	43,700	▼600	▼1.3%	▲3,100	▲7.1%
Manufacturing	12.7%	150,300	149,700	142,100	▲600	▲0.4%	▲8,200	▲5.8%
Trade, Transportation & Utilities	20.8%	241,100	240,100	234,200	▲1,000	▲0.4%	▲6,900	▲2.9%
Retail Trade	12.0%	138,000	137,500	135,900	▲500	▲0.4%	▲2,100	▲1.5%
Information	0.8%	9,700	9,600	9,500	▲100	▲1.0%	▲200	▲2.1%
Financial Activities	3.7%	43,500	43,000	42,300	▲500	▲1.2%	▲1,200	▲2.8%
Services	36.9%	425,700	427,500	415,300	▼1,800	▼0.4%	▲10,400	▲2.5%
Professional & Business Services	10.0%	113,500	115,600	113,400	▼2,100	▼1.8%	▲100	▲0.1%
Educational Services	1.1%	12,400	12,400	11,800	◀▶0	◀▶0.0%	▲600	▲5.1%
Health Care and Social Assistance	11.2%	127,500	127,900	128,400	▼400	▼0.3%	▼900	▼0.7%
Arts and Entertainment	0.8%	9,700	9,500	8,500	▲200	▲2.1%	▲1,200	▲14.1%
Accommodation and Food Services	10.5%	124,000	123,200	114,200	▲800	▲0.6%	▲9,800	▲8.6%
Other Services	3.4%	38,600	38,900	39,000	▼300	▼0.8%	▼400	▼1.0%
Government	20.5%	234,000	234,200	234,100	▼200	▼0.1%	▼100	◀▶0.0%

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

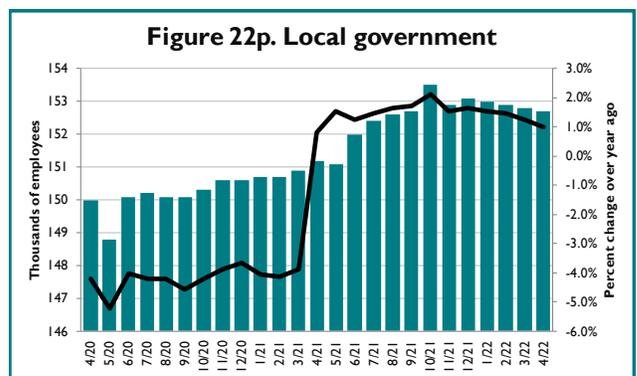
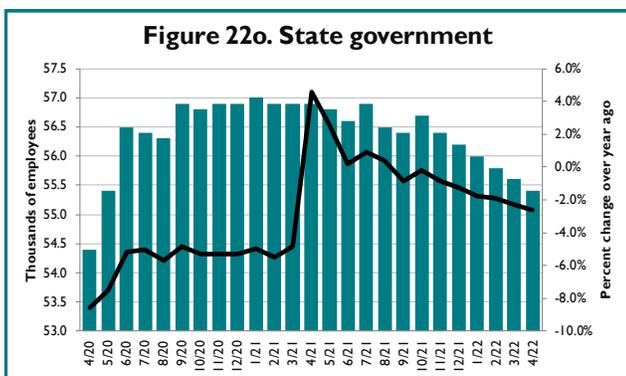
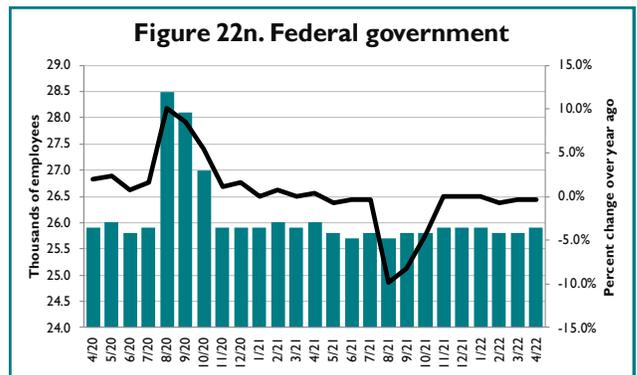
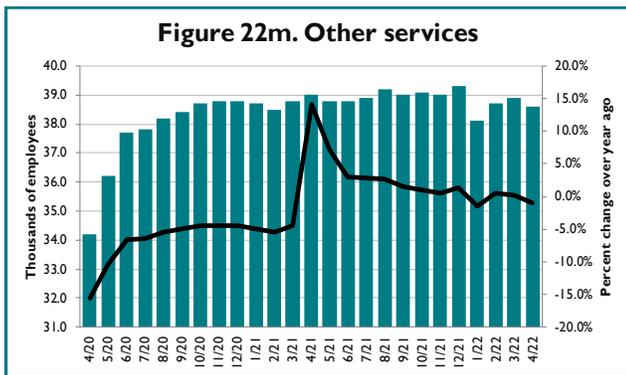
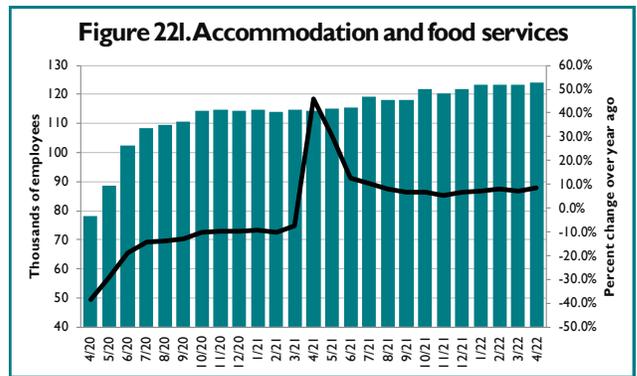
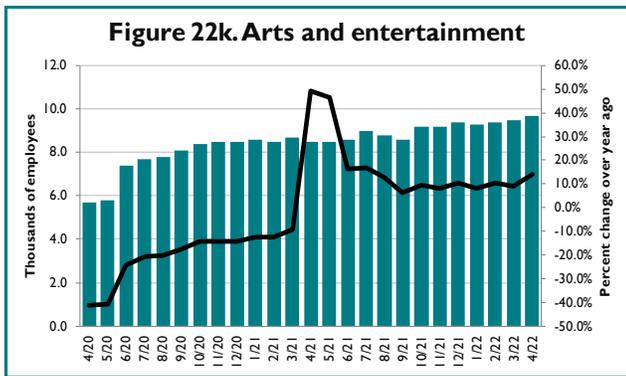
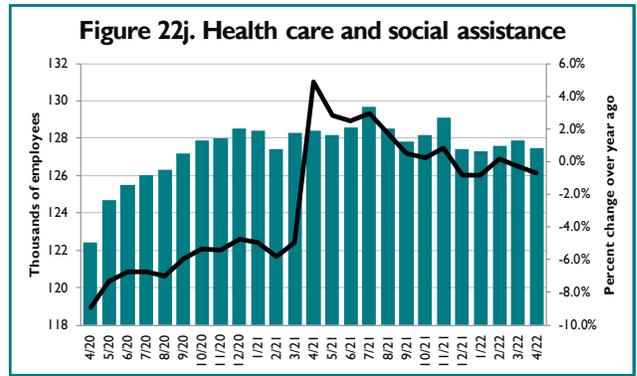
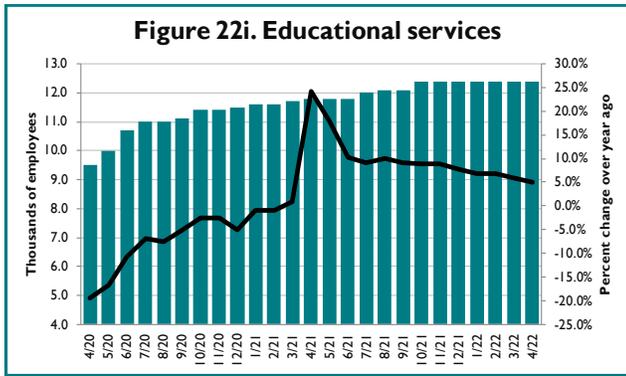
MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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 INCOME IN 2020

In 2020 real income in Mississippi rose 6.1 percent according to the latest estimate of the U.S. Bureau of Economic Analysis (BEA). This growth rate represents an increase of 5.0 percentage points from the rate in 2019 and marks the seventh consecutive year real income in Mississippi increased. Among all states this increase ranked twentieth. The increase in real income in Mississippi exceeded the U.S. increase of 5.3 percent by 0.8 percentage point as seen in Figure 23 on page 12. U.S. real income growth increased 2.7 percentage points from the revised growth rate in 2019 of 2.6 percent. Mississippi was one of eight states where real income increased between 6.0 percent and 7.0 percent in 2020. Real income increased in all fifty states in 2020 and the largest increase was the 9.8 percent gain that occurred in Idaho. The smallest increases in real income among all states occurred in Alaska and Oklahoma, where real incomes rose 1.6 percent and 1.7 percent, respectively, over their 2019 levels.

Along with the real income data BEA released regional price parities (RPPs) for 2020 for all states for the eighth consecutive year. RPPs account for differences in the price level across states each year. By construction the value of the RPP for the U.S. equals 100.0 and the values for each state are expressed as percentages of the U.S. value. RPPs therefore represent a way of measuring the relative cost of living in each state.

The relative RPP rankings among states changed little from the previous year as is typically the case, although the values of the RPPs of most states changed slightly. The values of the RPPs for each state for 2020 are listed at right in Table 3. The state with the highest RPP in 2020 was once again Hawaii. The value of its RPP increased almost 0.7 percentage point to 112.0. The RPP value of 112.0 means that, on average, all items sold in Hawaii in 2020 cost 12.0 percent more than the U.S. average. The state with the lowest RPP value in the nation was again Mississippi. The value of the state's RPP for 2020 equaled 87.8, which reflected a slight increase of 0.2 percentage point from the previous year. This value means that on average all items sold in the state in 2020 cost 12.2 percent less than the U.S. average, an analogous interpretation of the RPP for Hawaii relative to the U.S. The value of the RPP for West Virginia of 88.0 was only slightly higher than that of Mississippi and ranked forty-ninth among all states. Other southeastern states with relatively low RPPs in 2020 include Arkansas, Alabama, and Kentucky, as all three of these states maintained the same rankings from 2019. Florida had the highest-valued RPP among all southeastern states as in most years. The state maintained its position of fifteenth among all states. Sixteen states had RPPs with values greater than 100.0 in 2020, two more than in the previous year, which means the relative cost of living in these states was higher than the U.S. average. The state with a RPP that was closest to the U.S. average in 2020 was Texas with a RPP value of 99.5.

States with some of the largest metropolitan areas in the country tend to have the highest RPP values because of the way BEA computes the RPP. The RPP calculation assigns weights to the values making up an individual's total expenditures and in general housing costs represent an individual's largest single expenditure. Thus, the primary reason the cost of living is relatively higher in states with large metropolitan areas is the cost of housing in these areas is higher. More rural states like Mississippi tend to have lower housing costs and therefore lower total RPP values.

Once BEA adjusts the incomes for each state for RPPs, the agency adjusts the incomes for inflation using the national Personal Consumption Expenditures (PCE) price index. The PCE is similar to the better known Consumer Price Index (CPI) but is generally considered more comprehensive. The PCE uses more expenditures compared to the CPI and weights their values according to surveys of businesses as opposed to consumers. In general the value of the

Table 3. Regional price parities by state, 2020

Hawaii	112.0
New Jersey	111.2
California	110.4
New York	110.2
Massachusetts	107.4
Washington	107.4
Maryland	106.5
New Hampshire	103.7
Connecticut	103.4
Alaska	103.2
Colorado	102.9
Oregon	102.6
Rhode Island	101.8
Virginia	101.0
Florida	100.7
Illinois	100.5
Texas	99.5
Vermont	99.3
Arizona	99.1
Minnesota	98.6
Delaware	97.9
Pennsylvania	97.6
Nevada	97.1
Maine	96.8
Utah	95.3
Georgia	94.5
Michigan	94.0
Wisconsin	93.2
Nebraska	92.9
Louisiana	92.7
Indiana	92.5
Missouri	92.5
Kansas	92.4
Montana	92.4
Wyoming	92.3
Tennessee	92.2
North Dakota	92.0
North Carolina	91.8
Ohio	91.7
New Mexico	91.6
South Carolina	91.6
South Dakota	91.5
Oklahoma	91.3
Idaho	91.2
Iowa	91.0
Kentucky	89.8
Alabama	89.3
Arkansas	89.2
West Virginia	88.0
Mississippi	87.8

Source: U.S. Bureau of Economic Analysis.

MISSISSIPPI'S BUSINESS

CHANGE IN MISSISSIPPI REAL INCOME IN 2020, CONTINUED

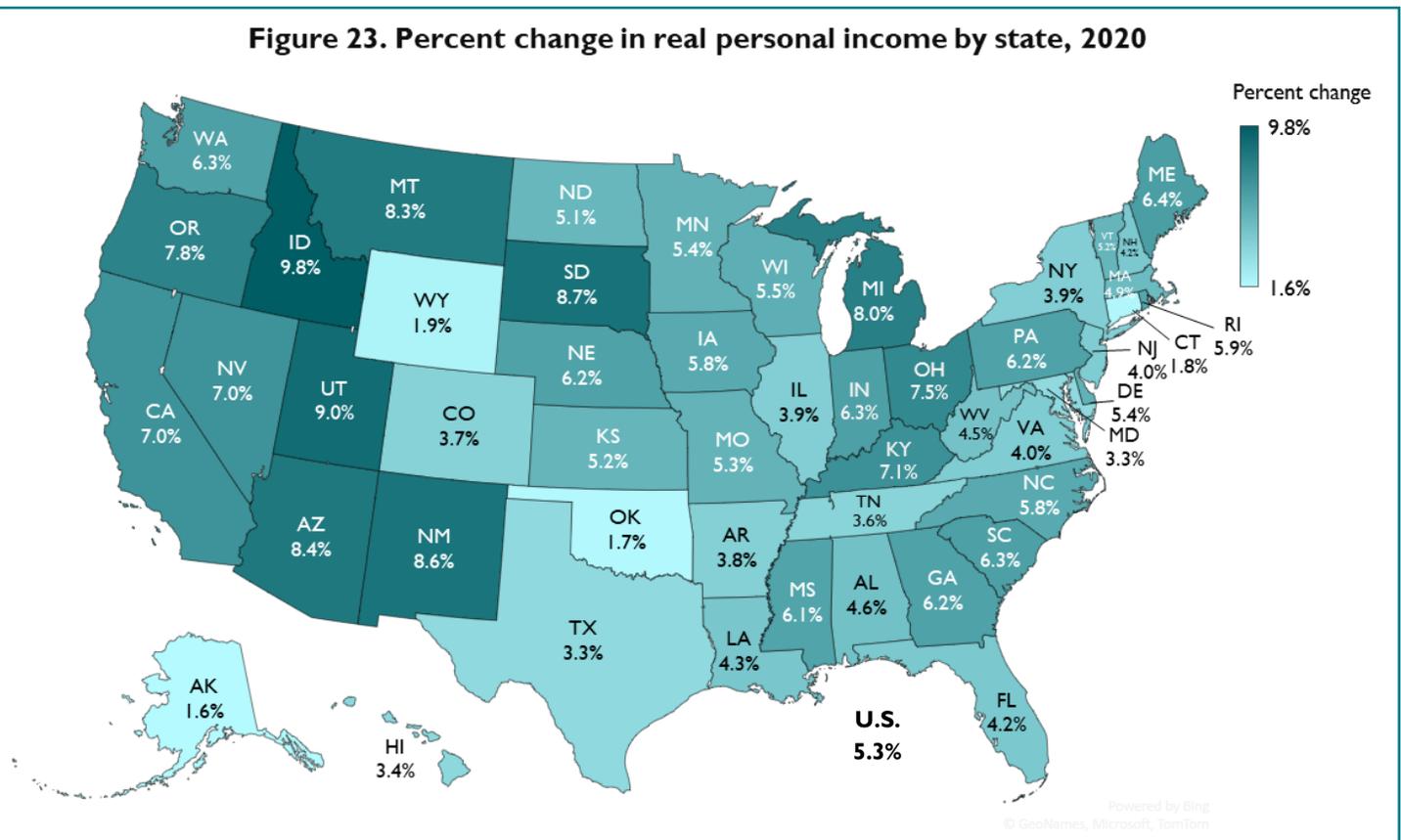
CPI runs higher than the value of the PCE. To illustrate, the value of the PCE index for the U.S. increased 1.2 percent in 2020 while U.S. nominal income grew 6.5 percent. Therefore, the average increase in real income of 5.3 percent for the U.S. mentioned above is obtained after subtracting the change in the PCE index from the change in nominal income.

The increase in real personal income in Mississippi was the fourth-largest among states in the Southeast in 2020, behind Kentucky, South Carolina, and Georgia. Notably, states where the oil and gas sector is a substantial segment of the economy experienced some of the smallest increases in real income in 2020. These states include Alaska, Oklahoma, Texas, and Wyoming. Although Texas has a large and diverse economy, the decrease in oil prices in 2020 likely moderated real income growth in the state.

Another measure of regional cost BEA includes in the data for each state is the implicit regional price deflator (IRPD). The IRPD for a state is found by multiplying its RPP by the U.S. PCE, which results in a price index for that state. Viewed over time, the IRPD essentially represents a measure of regional inflation through its adjustments of the PCE for each state. The IRPD value for the U.S. remains the same as its PCE of 1.2. The IRPD is considered an indirect measure of inflation because it is calculated from two existing values.

The value of the IRPD for Mississippi in 2020 was 97.6, indicating regional inflation increased 1.4 percent from the previous year. This rate was slightly higher than the rate for the U.S. A total of eight states did not experience inflation in 2020, as the value of the IRPDs in these states decreased from the previous year. In Utah the value of the IRPD fell 1.0 percent, the largest decrease among all states. The largest increase occurred in the District of Columbia, where the value of its IRPD rose 3.4 percent in 2020.

Figure 23. Percent change in real personal income by state, 2020



Source: U.S. Bureau of Economic Analysis.