



ECONOMY AT A GLANCE

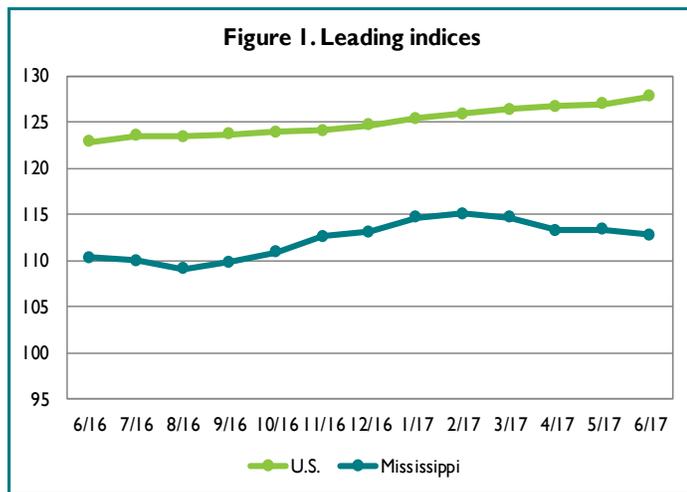
Figure 1 below indicates the value of the Mississippi Leading Index (MLI) declined 0.4 percent in June. Compared to one year ago the value of the MLI was 2.3 percent higher for the month.

The Mississippi Coincident Index (MCI) increased in value by 0.2 percent in June as seen in Figure 2 below. This value was 2.6 percent higher for the month compared to one year ago.

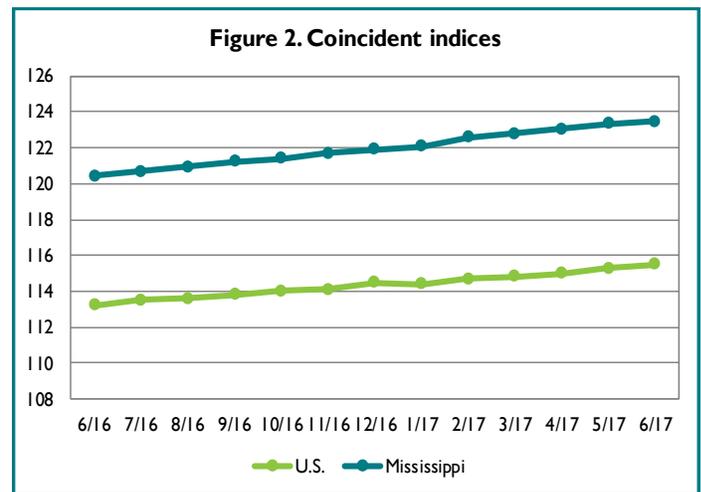
The U.S. Bureau of Economic Analysis (BEA) reported in its initial reading U.S. real gross domestic product (GDP) in the second quarter increased 2.6 percent. Compared to BEA's estimate of the change in real GDP in the first quarter, this rate represents an increase of 1.4 percentage point. BEA reduced its final estimate of the change in first quarter real GDP by 0.2 percentage point to 1.2 percent.

Thus, the pattern of relatively weak economic growth in the first quarter followed by stronger growth in the second quarter appeared to continue in 2017. Most of the improvement in the second quarter was driven by stronger consumer spending than in the first three months of 2017.

The MLI experienced its fourth consecutive month without an increase in June as its value fell below the December 2016 level. At the halfway point of 2017 the state's economy has little to no momentum. On a positive note, employment in Mississippi experienced its largest increase in almost a year in June and reached its highest post-recession level. Nevertheless, as consumer and business optimism fades from earlier in the year a reason to look for an acceleration in growth in the second half of 2017 remains elusive.



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, JUNE 2017

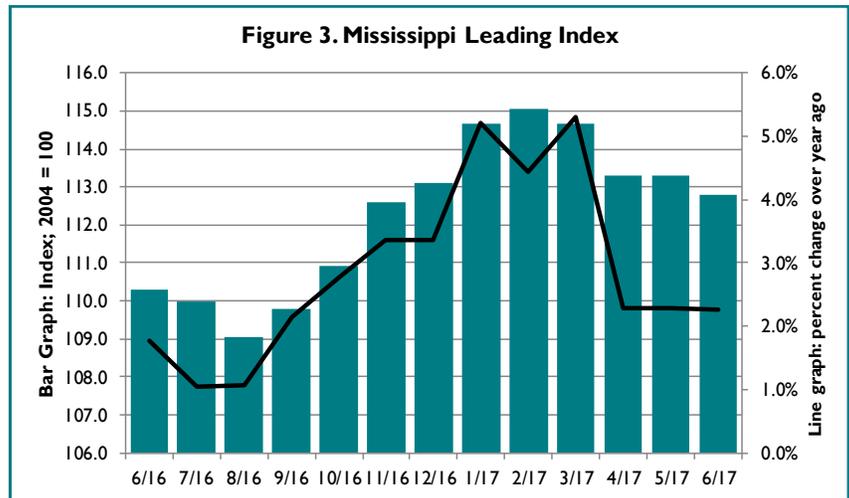
The value of the **Mississippi Leading Index of Economic Indicators (MLI)** declined 0.4 percent in June as Figure 3 indicates. The last increase in the MLI occurred in February. The value of the MLI was 2.3 percent higher for the month compared to one year ago, the third consecutive month with the same year-over-year change. Over the last six months the value of the MLI fell 0.3 percent.

As in May, five of the seven components of the MLI decreased in value in June. The declines in consumer expectations and the ISM Manufacturing Index pushed the value of the MLI lower. Each component is discussed below in order of smallest to largest contribution.

The value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) declined 2.5 percent in June as seen in Figure 4. June marked the fourth decrease in the last five months. Compared to one year ago the value of the Index was 2.5 percent higher for the month. Despite the decline, the current economic conditions measure reached its highest level in twelve years. Short-term inflation expectations held steady in the most recent survey while longer-term expectations inched up to their highest level since January.

As Figure 5 indicates the value of the **Institute for Supply Management Index of U.S. Manufacturing Activity** dropped 2.6 percent in July. The value of the Index was 7.0 percent higher for the month compared to one year ago. The New Orders component fell in July after increasing in each of the past two months. After three months of declines the prices paid index climbed seven points for the month.

Figure 6 indicates the value of **Mississippi residential building permits** (three-month moving average) fell for the fourth consecutive month in June, decreasing 3.0 percent. The value for the month was 1.6 percent higher compared to one year ago. The seasonally-adjusted number of units for which building permits were issued (three-month moving average) in Mississippi decreased 3.6 percent in June which was also its fourth consecutive monthly decline. The number of units for the month compared to one year ago was lower by 1.5 percent. The number of privately-owned housing units in the U.S. authorized by building permits climbed 7.4 percent in June from the revised value for May. The number of units in the U.S. for



Source: University Research Center

the month compared to June 2016 was 5.1 percent higher.

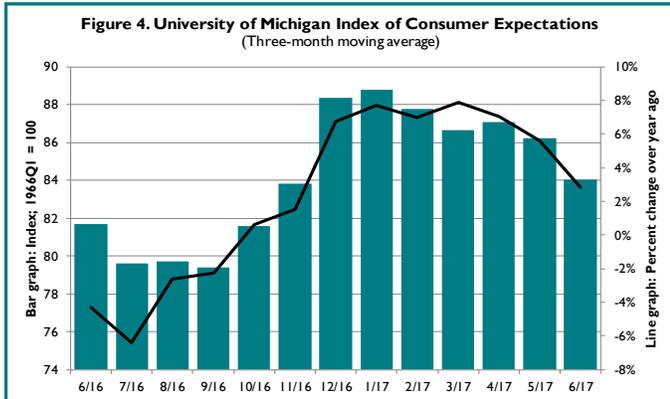
The value of **Mississippi income tax withholdings** (three-month moving average) decreased in June for the third consecutive month. The value decreased 0.3 percent from the previous month as seen in Figure 7. Compared to one year ago the value was down 0.5 percent in June, the fifth year-over-year decrease in the last seven months.

As seen in Figure 8 the value of **U.S. retail sales** fell 0.2 percent in June, the second consecutive month with a decline. However, the May decrease was revised up from -0.3 percent to -0.1 percent. June U.S. retail sales were higher by 2.8 percent compared to one year ago, the smallest year-over-year increase since August 2016. Similar to May, much of the decline in June sales was caused by lower gasoline prices. Nevertheless, sales excluding automobiles and gasoline fell 0.1 percent. Outside of gasoline the largest decreases in sales occurred in food and drinking places and sporting goods and hobbies. Revisions indicated sales of motor vehicles and parts increased in June for the third consecutive month. The largest increase in sales in June occurred in building materials.

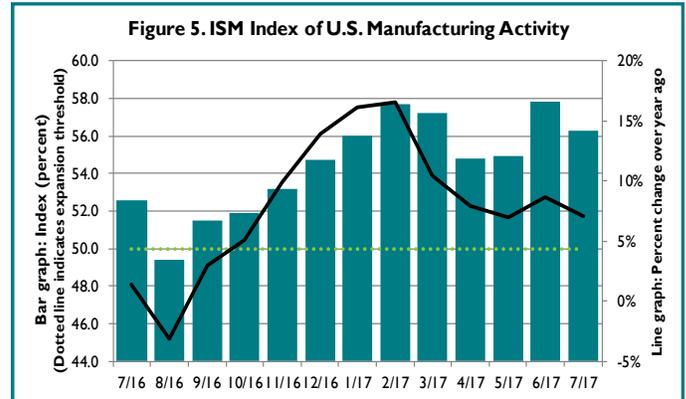
The value of seasonally-adjusted **initial unemployment claims** in Mississippi was little changed in June, falling 0.2 percent as seen in Figure 9. Compared to one year ago the value was 9.2 percent lower. Seasonally-adjusted continued unemployment claims in Mississippi fell in value by 1.2 percent in June as Figure 14 on page 6 indicates. The number of continued claims in Mississippi compared to

(Continued on page 4)

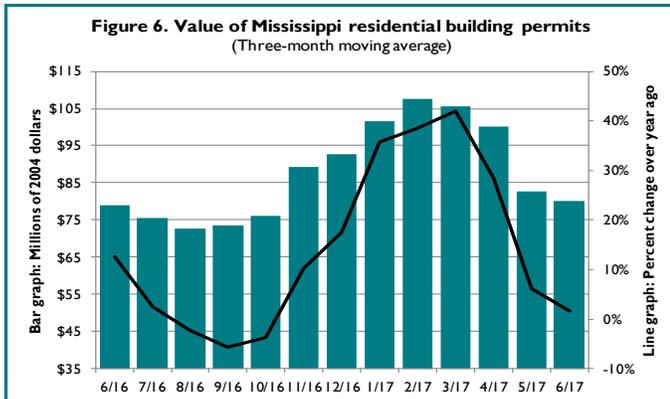
COMPONENTS OF MISSISSIPPI LEADING INDEX, IN FIGURES



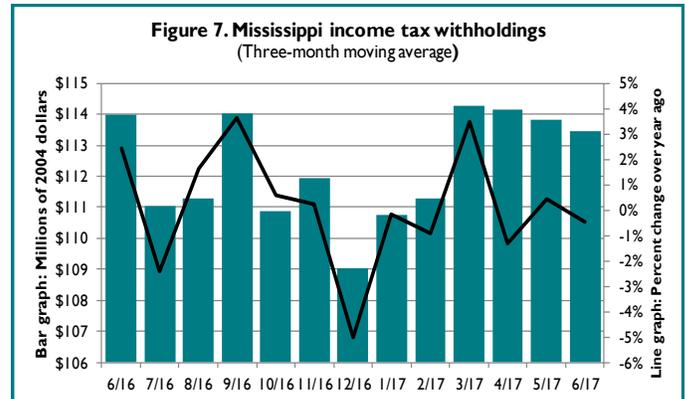
Source: Thomson Reuters/University of Michigan Surveys of Consumers



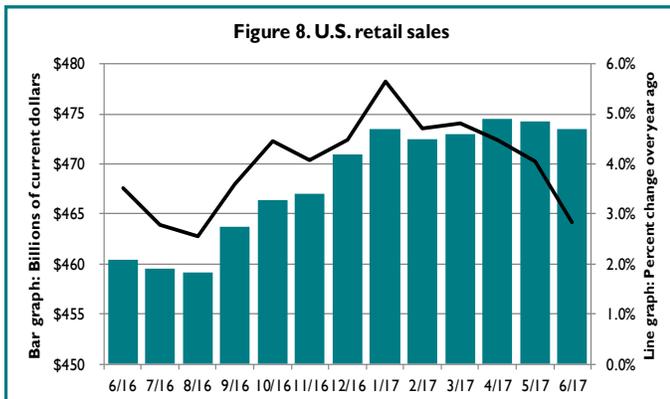
Source: Institute for Supply Management



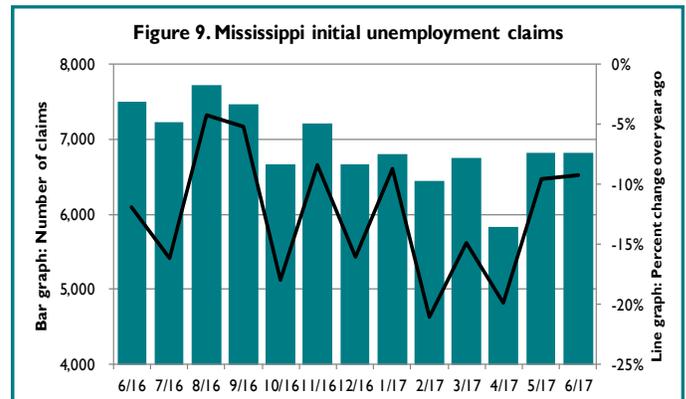
Source: Bureau of the Census; seasonally adjusted



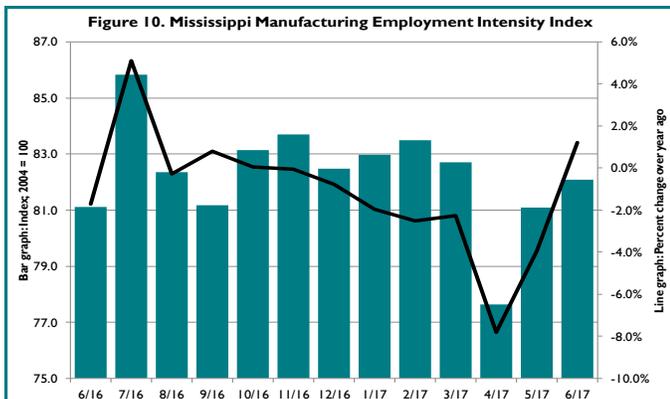
Source: Mississippi Department of Revenue; seasonally adjusted



Source: Bureau of the Census



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



Source: URC using data from Bureau of Labor Statistics

The value of the Mississippi Leading Index (MLI) fell 0.4 percent in June.

MISSISSIPPI'S BUSINESS

MISSISSIPPI LEADING INDEX, JUNE 2017 (CONTINUED)

one year ago was down 19.6 percent in June, the eighth consecutive month with a year-over-year decrease. The seasonally-adjusted unemployment rate in Mississippi rose to 5.0 percent in June as seen in Figure 15 on page 6. The increase in the rate was the first since May 2012. The June rate was lower by 0.9 percentage point compared to one year ago.

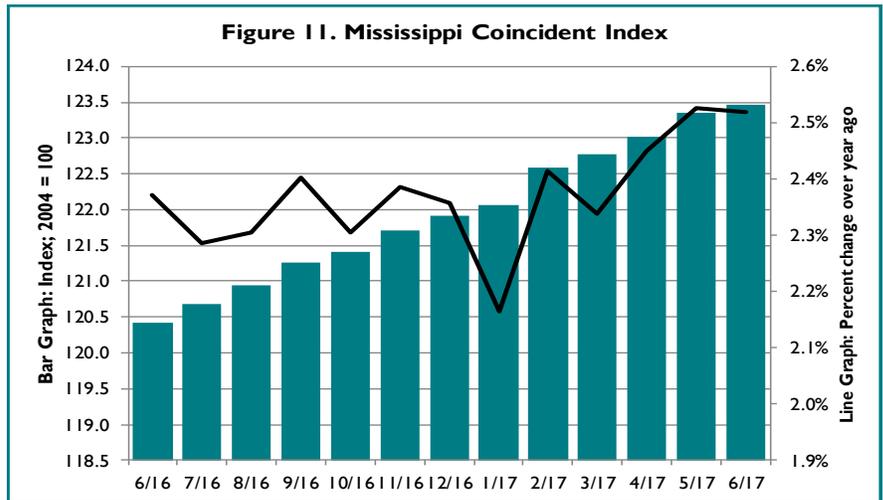
The **Mississippi Manufacturing Employment Intensity Index** increased in value for the second consecutive month in June as seen in Figure 10. The value rose 1.2 percent from the previous month and the value was also 1.2 percent higher compared to one year ago. Both manufacturing employment and average weekly hours of production employees increased in June. Over the last six months the value of the Index fell 0.5 percent.

MISSISSIPPI COINCIDENT INDEX, JUNE 2017

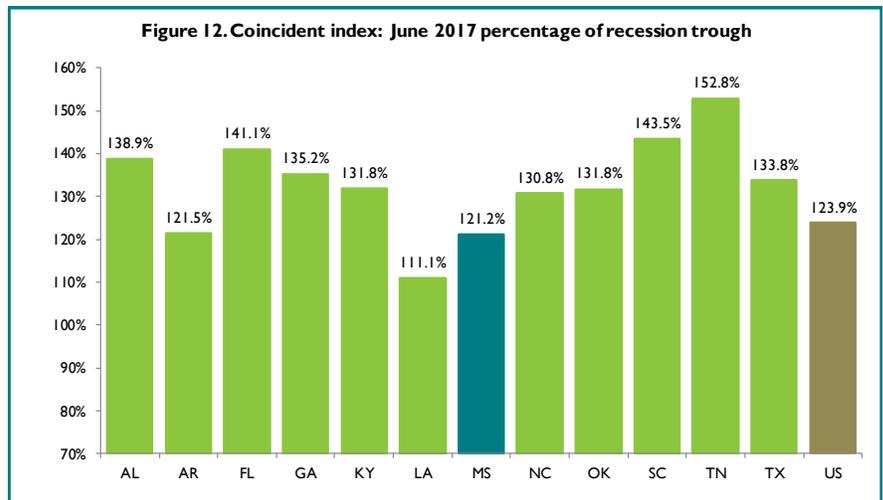
Figure 11 indicates the **Mississippi Coincident Index of Economic Indicators (MCI)** gained 0.2 percent in value in June according to the Federal Reserve Bank of Philadelphia. Compared to one year ago the value of the MCI for the month was 2.6 percent higher.

Louisiana maintained the smallest increase in the value of its coincident index from its recession trough among southeastern states in June. This increase equaled 11.1 percent as seen in Figure 12. The increase in the coincident index for Mississippi of 21.2 percent was the next smallest among southeastern states. The largest increase in the coincident index from its recession trough among all southeastern states in June once again occurred in Tennessee, as its value was up 52.8 percent.

The values of the coincident indices increased in forty-one states in June compared to three months prior as seen in Figure 13 on page 5. The values of the coincident indices increased more than 0.5 percent in thirty-seven states, including Mississippi. Compared to three months prior the values of the coincident indices increased by less than 0.5 percent in four states. In six states the values of their coincident indices declined between 0.0 and 0.5 percent in June compared to March. In Maine, Massachusetts, and Montana the value of the coincident index declined more than 0.5 percent in June compared to three months prior.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

NATIONAL TRENDS

As seen in Figure 1 on page 1 The Conference Board reported the value of the U.S. Leading Economic Index (LEI) increased 0.6 percent in June, the largest increase since January. The value of the LEI was 4.0 percent higher in June compared to one year ago. The largest contribution came from building permits as eight of the ten components of the LEI made positive contributions for the month. The value of the LEI increased 2.5 percent over the last six months.

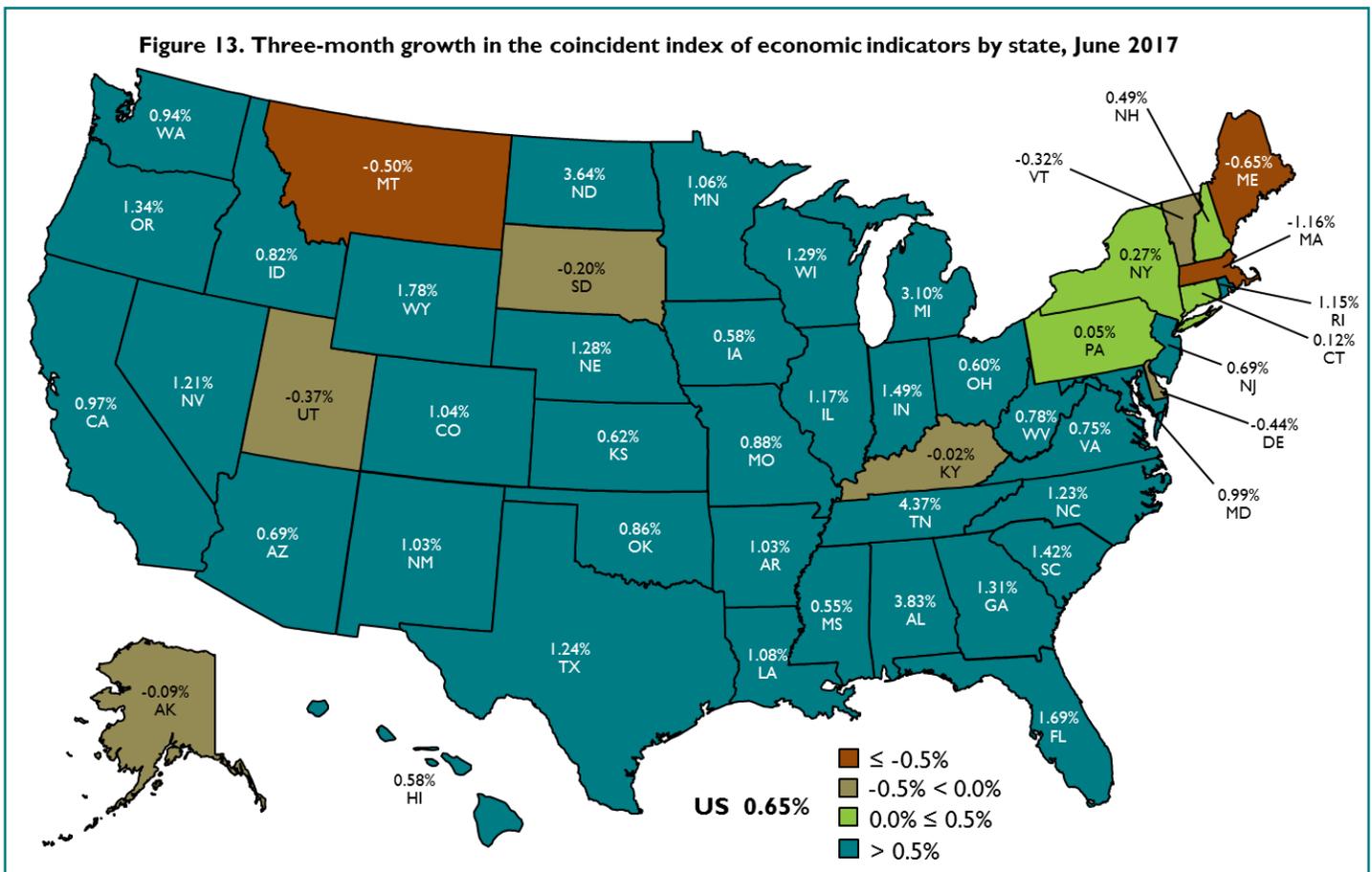
The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) increased 0.2 percent in June as seen in Figure 2 on page 1. Compared to one year ago the value was 2.0 percent higher for the month. All of the four components of the CEI increased in June as employees on nonagricultural payrolls made the largest contribution. Over the last six months the value of the CEI rose 0.9 percent.

Figure 20 on page 6 indicates the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index fell to its lowest level post-election

in June, losing 0.9 percent. Nevertheless, the value of the Index remains relatively high compared to October 2016 and was up 9.6 percent compared to one year ago. The components “plans to increase employment,” “expect economy to improve,” “expect real sales higher,” and “current job openings” all fell considerably in June. The “plans to increase inventories” and “plans to make capital expenditures” components both increased, however.

The Federal Open Market Committee (FOMC) made no changes to the federal funds rate at its July meeting following the increase in June. A number of analysts now expect the Federal Reserve will not implement another rate increase until December at the earliest. The weakening of inflation in recent months does not appear to concern the FOMC as yet, as its July statement was little changed from June regarding the price level. In the meantime, the Federal Reserve has announced plans to gradually reduce its holdings of bonds and mortgage securities it purchased during the financial crisis that total over \$4 trillion. The process could begin as soon as later this year.

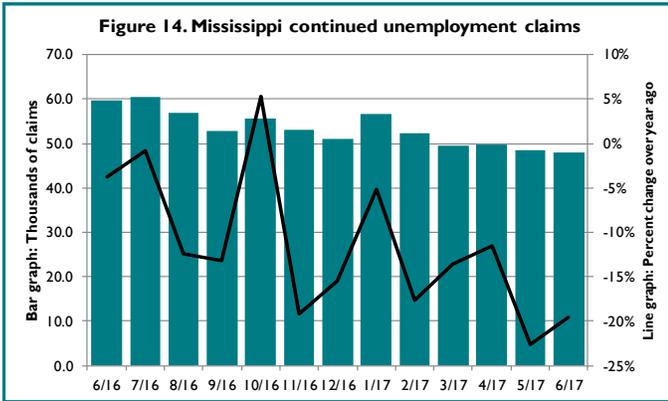
Figure 13. Three-month growth in the coincident index of economic indicators by state, June 2017



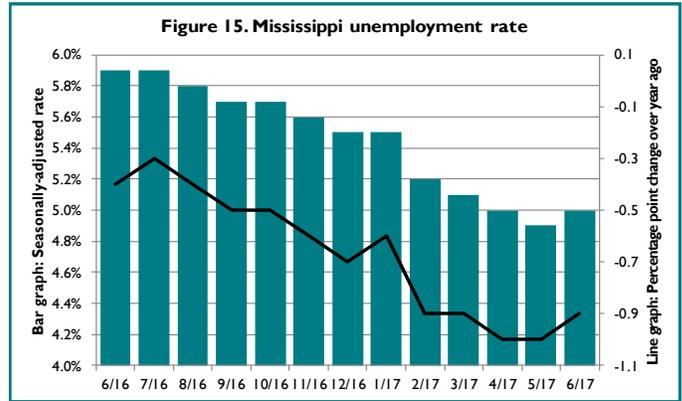
Source: Federal Reserve Bank of Philadelphia

MISSISSIPPI'S BUSINESS

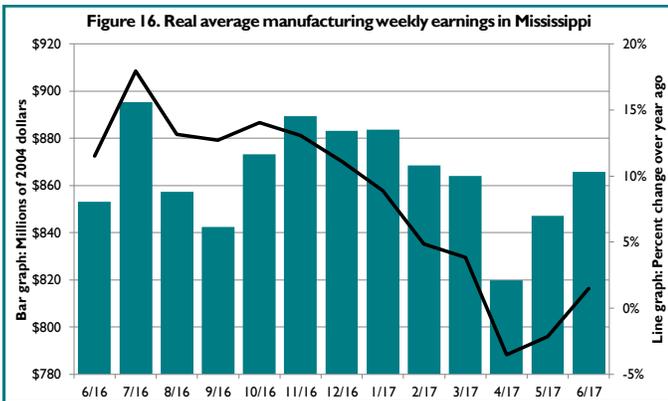
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



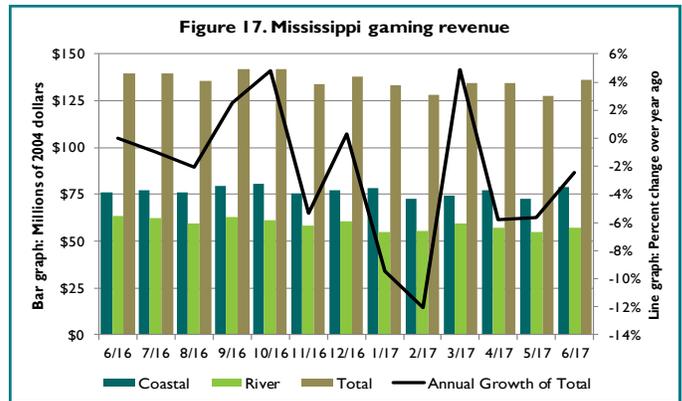
Source: U.S. Department of Labor; seasonally adjusted



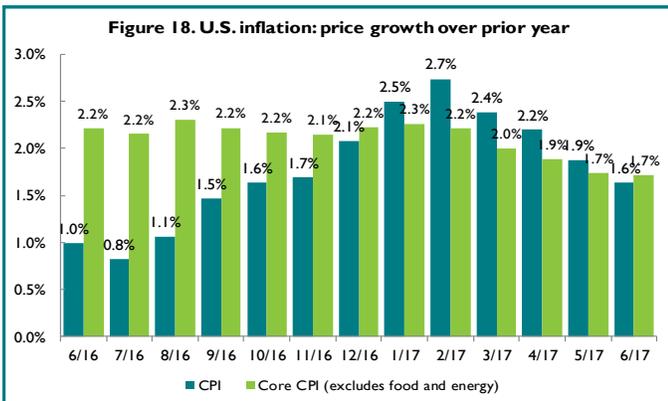
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



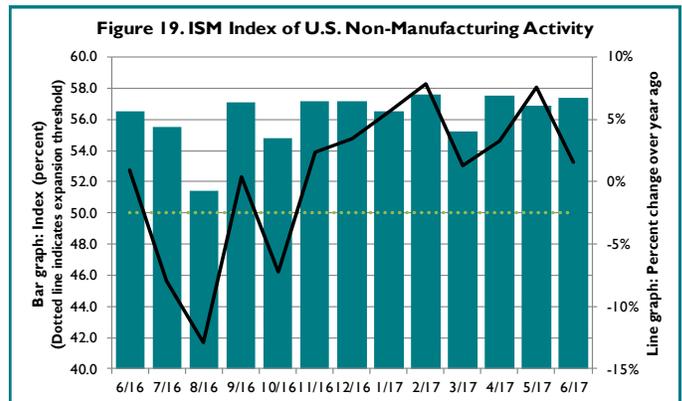
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



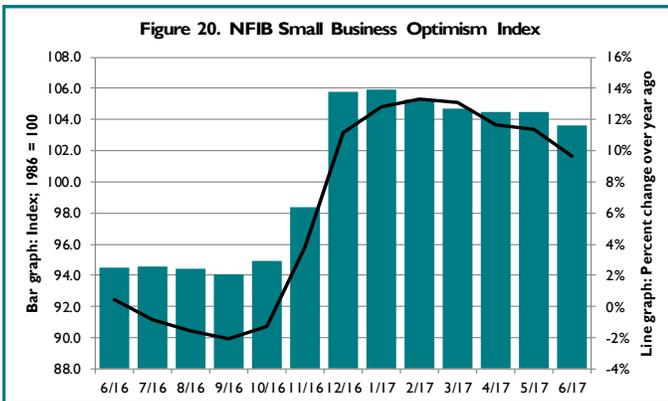
Source: Mississippi Department of Revenue; seasonally adjusted



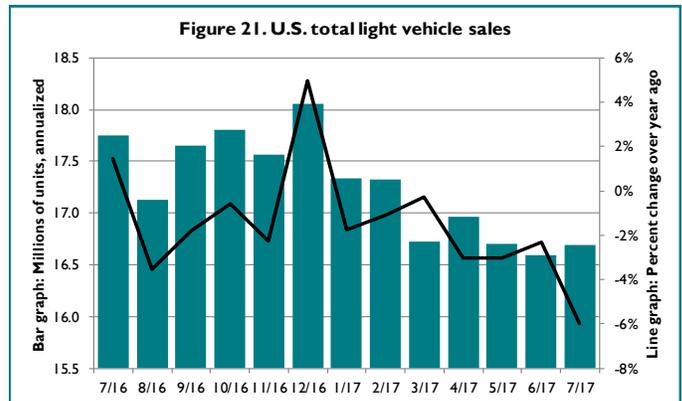
Source: U.S. Bureau of Labor Statistics



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	June 2017	May 2017	June 2016	Percent change from		
				May 2017	June 2016	
U.S. Leading Economic Index 2004 = 100. Source: The Conference Board	127.8	127.0	122.9	▲0.6%	▲4.0%	Economic Indices
U.S. Coincident Economic Index 2004 = 100. Source: The Conference Board	115.5	115.3	113.2	▲0.2%	▲2.0%	
Mississippi Leading Index 2004 = 100. Source: University Research Center	112.8	113.3	110.3	▼0.4%	▲2.3%	
Mississippi Coincident Index 2004 = 100. Source: Federal Reserve Bank of Philadelphia	123.5	123.3	120.4	▲0.2%	▲2.6%	
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	6,815	6,828	7,504	▼0.2%	▼9.2%	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	80.1	82.6	78.8	▼3.0%	▲1.6%	
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	113.5	113.8	114.0	▼0.3%	▼0.5%	
Mississippi Manufacturing Employment Intensity Index 2004 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	82.1	81.1	81.1	▲1.2%	▲1.2%	
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	84.0	86.2	81.7	▼2.5%	▲2.9%	
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	56.3	57.8	52.6	▼2.6%	▲7.0%	
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	473.5	474.2	460.4	▼0.2%	▲2.8%	
U.S. Consumer Price Index (CPI)	129.7	129.6	127.6	▲0.1%	▲1.6%	
U.S. Core CPI (excludes food and energy) 2004 = 100. Source: URC using data from Bureau of Labor Statistics	128.0	127.8	125.8	▲0.1%	▲1.7%	
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	5.0%	4.9%	5.9%	▲0.1	▼0.9	
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	47,982	48,587	59,690	▼1.2%	▼19.6%	Miscellaneous Indicators
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	53.9	57.4	55.5	▼6.1%	▼2.9%	
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	3.84%	4.01%	3.51%	▼0.18	▲0.32	
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	20.73	20.64	20.57	▲0.4%	▲0.7%	
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	865.68	847.12	853.04	▲2.2%	▲1.5%	
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	103.6	104.5	94.5	▼0.9%	▲9.6%	
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	16.69	16.59	17.75	▲0.6%	▼6.0%	
Gaming revenue	136.1	127.4	139.6	▲6.8%	▼2.5%	
Coastal counties	78.9	72.5	76.0	▲8.9%	▲3.8%	
River counties Seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	57.2	54.9	63.5	▲4.1%	▼10.0%	

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

The U.S. Bureau of Labor Statistics (BLS) reported total nonfarm employment in Mississippi increased 0.3 percent in June as seen in Table 2 below. The gain was the largest percentage increase in employment in the state since July 2016. Compared to one year ago total employment in Mississippi was 0.5 percent higher in June, an increase of 6,100 jobs.

According to BLS fourteen states experienced statistically significant increases in total nonfarm employment in June, with no statistically significant changes in thirty-six states and the District of Columbia. The largest increase in jobs occurred in Texas while the largest percentage increase occurred in Nevada, closely followed by Iowa.

Employment increased in thirty-three states in June compared to one year ago according to BEA. Texas, California, and Florida added the most jobs over the last twelve months. The largest percentage increase occurred in Nevada. No state experienced a statistically significant decrease in employment over the last twelve months, as employment was essentially unchanged in seventeen states and the District of Columbia.

Most sectors in the Mississippi economy added jobs in June with the notable exception of Government, which lost 2,300 jobs, the most among all sectors. Health Care and Social Assistance and Other Services were the only other sectors that lost jobs in June. Trade, Transportation, and Utilities led all sectors as it added 2,200 jobs for the month. The largest percentage increase in employment occurred in Construction at 1.9 percent. The largest percentage decrease in employment among all sectors in Mississippi in June was the 0.9 percent decline in Government.

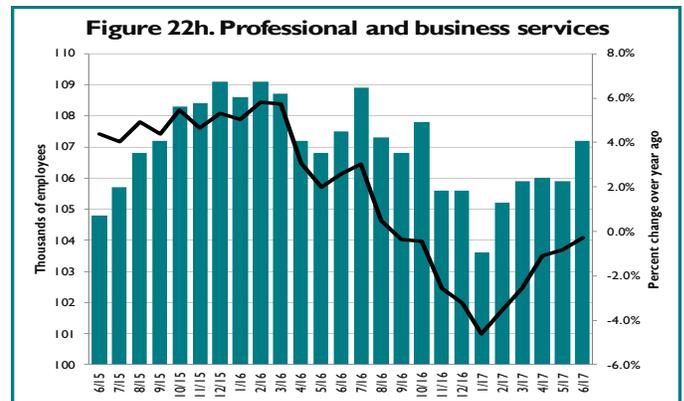
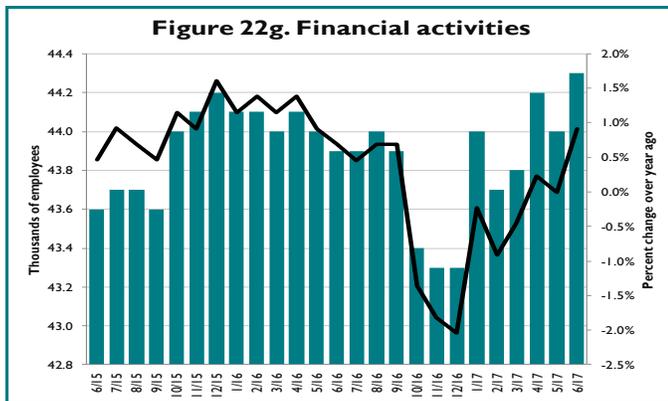
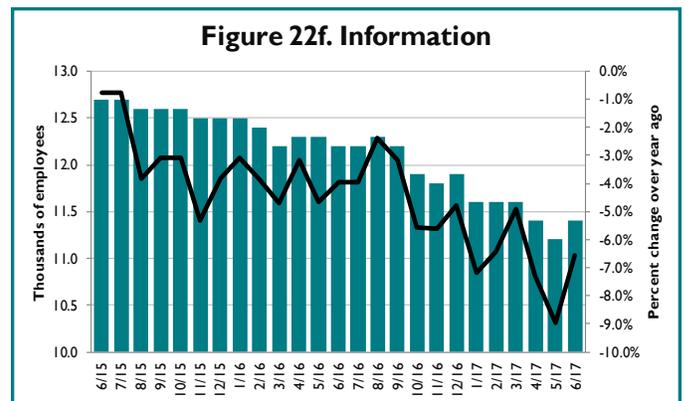
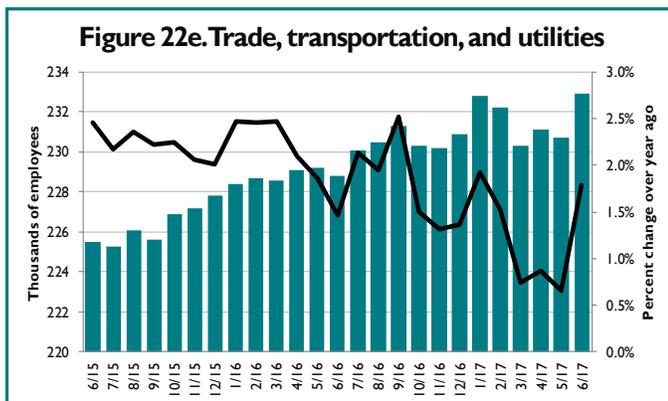
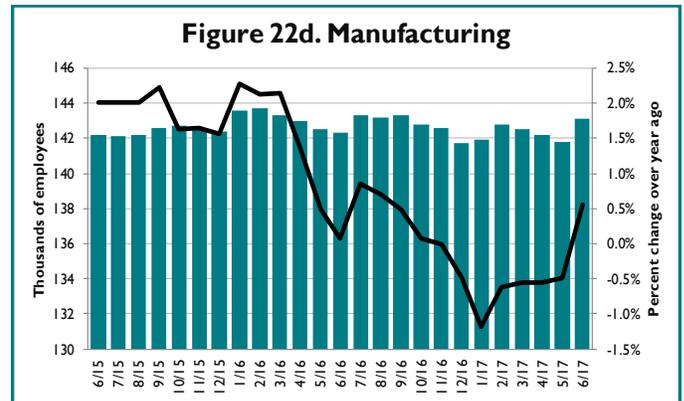
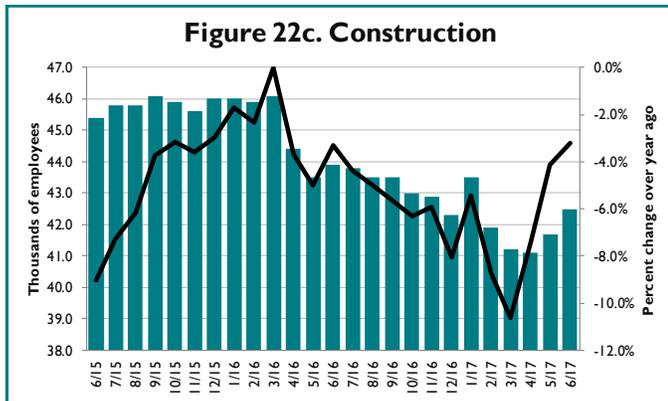
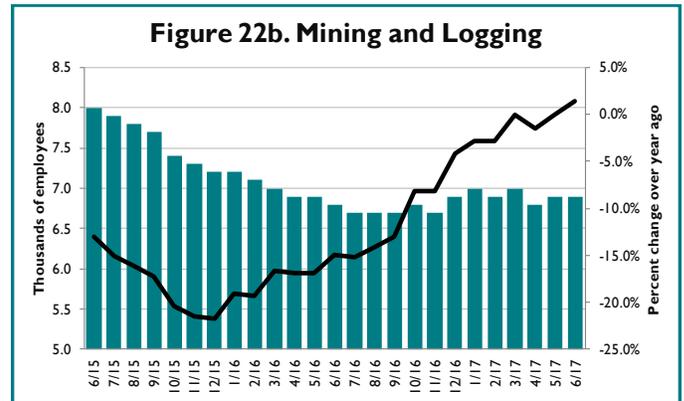
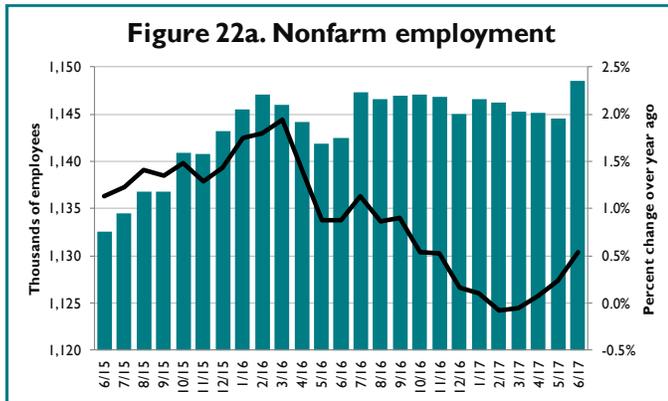
Trade, Transportation, and Utilities added 4,100 jobs over the past twelve months, the most among all sectors. Arts and Entertainment experienced the largest percentage increase in employment compared to one year ago of 4.4 percent. Construction maintained the largest decrease in employment among all industries in the state in June compared to one year ago, down by 1,400 jobs. The largest percentage decrease in employment over the past twelve months occurred in Information, which fell 6.6 percent.

Table 2. Change in Mississippi employment by industry, June 2017

	Relative share of total ^a	June 2017	May 2017	June 2016	Change from May 2017		Change from June 2016	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,148,600	1,144,600	1,142,500	▲4,000	▲0.3%	▲6,100	▲0.5%
Mining and Logging	0.6%	6,900	6,900	6,800	◆0	◆0.0%	▲100	▲1.5%
Construction	3.7%	42,500	41,700	43,900	▲800	▲1.9%	▼1,400	▼3.2%
Manufacturing	12.4%	143,100	141,800	142,300	▲1,300	▲0.9%	▲800	▲0.6%
Trade, Transportation, & Utilities	20.2%	232,900	230,700	228,800	▲2,200	▲1.0%	▲4,100	▲1.8%
Retail Trade	12.2%	139,600	139,200	139,800	▲400	▲0.3%	▼200	▼0.1%
Information	1.0%	11,400	11,200	12,200	▲200	▲1.8%	▼800	▼6.6%
Financial Activities	3.8%	44,300	44,000	43,900	▲300	▲0.7%	▲400	▲0.9%
Services	36.9%	424,200	422,700	420,400	▲1,500	▲0.4%	▲3,800	▲0.9%
Professional & Business Services	9.3%	107,200	105,900	107,500	▲1,300	▲1.2%	▼300	▼0.3%
Educational Services	1.0%	12,200	12,000	11,800	▲200	▲1.7%	▲400	▲3.4%
Health Care & Social Assistance	11.3%	130,700	131,600	128,400	▼900	▼0.7%	▲2,300	▲1.8%
Arts & Entertainment	1.0%	11,800	11,800	11,300	◆0	◆0.0%	▲500	▲4.4%
Accommodation and Food Services	10.7%	121,500	120,500	121,400	▲1,000	▲0.8%	▲100	▲0.1%
Other Services	3.5%	40,800	40,900	40,000	▼100	▼0.2%	▲800	▲2.0%
Government	21.4%	243,300	245,600	244,200	▼2,300	▼0.9%	▼900	▼0.4%

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

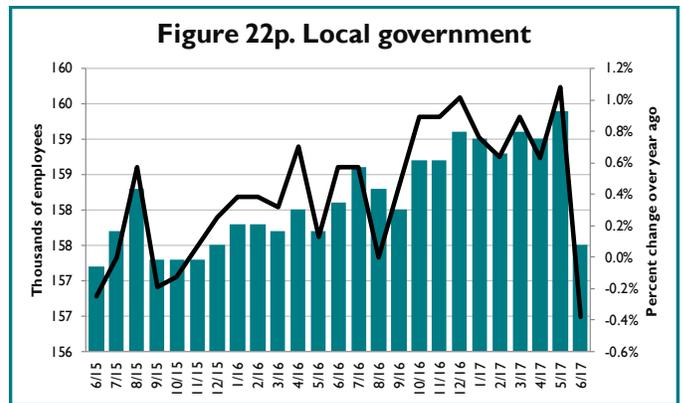
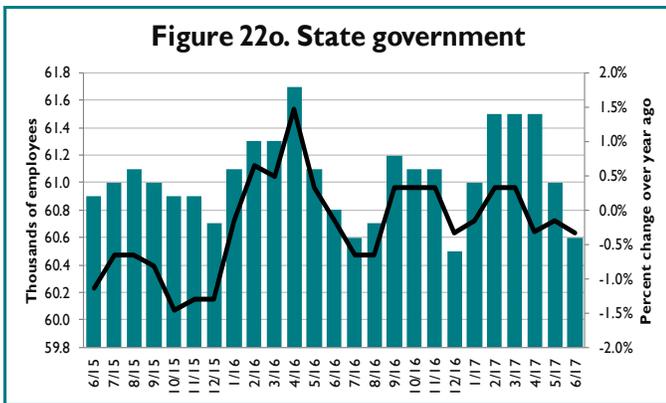
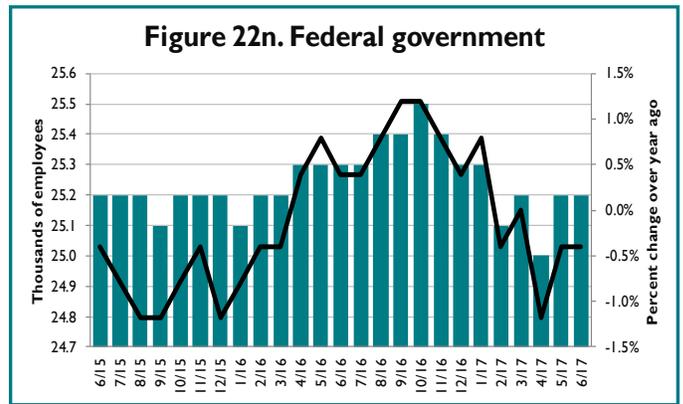
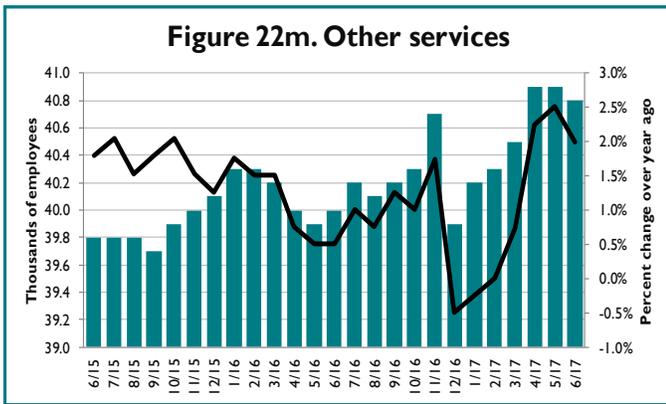
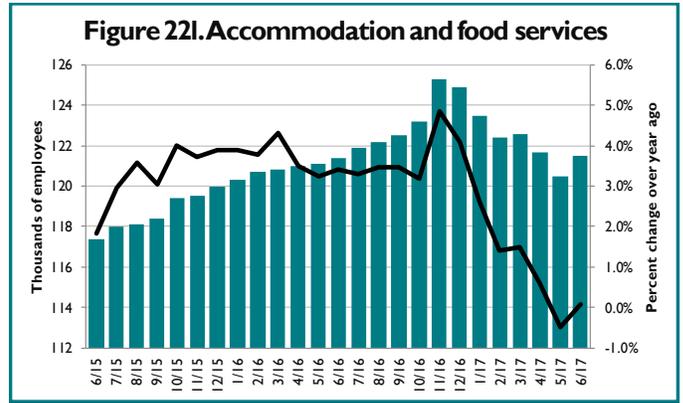
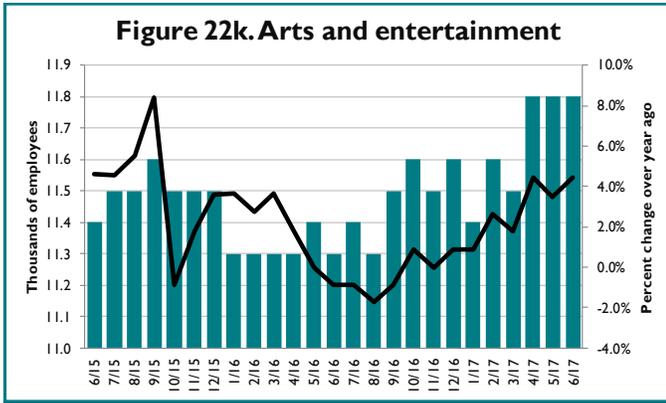
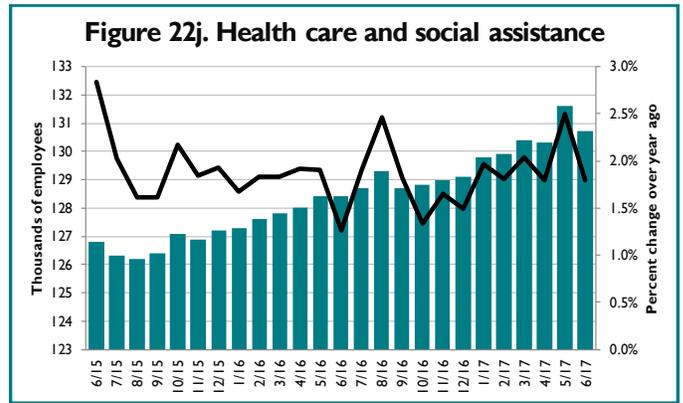
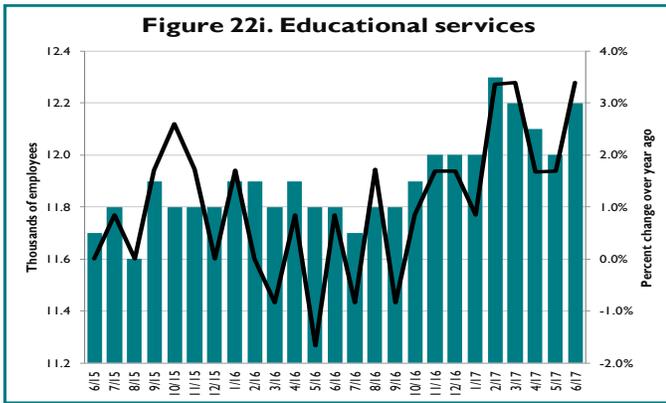
MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI'S BUSINESS

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 2015

The U.S. Bureau of Economic Analysis (BEA) recently released its estimates of real income for all states for 2015. The agency reported real income in Mississippi rose 1.6 percent for the year. This growth rate represents a decline from the revised increase of 2.0 percent the state experienced in 2014. The 1.6 percent increase in real income for Mississippi ranked forty-fourth among all states, tied with West Virginia. It was considerably less than the 4.1 percent increase in real income for all of the U.S. As seen in Figure 23 on page 12, Mississippi was one of eleven states where real income grew less than 3.0 percent in 2015. The only state to experience a decrease in real income in 2015 was North Dakota, where real income shrank 2.3 percent. The largest increase in real income across all states in 2015 occurred in Delaware, where real income grew at a 7.0 percent pace.

For the third consecutive year, BEA released regional price parities (RPPs) for 2015 along with the real income data for all states. RPPs account for differences in the price level across states each year. The value of the RPP for the U.S. is 100.0 by construction 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.

While some states moved up and down in terms of the value of their RPPs, the relative rankings did not change much from the previous year. Table 3 at right lists the value of the RPP for each state for 2015. Hawaii retained its position as the state with the highest RPP in 2015 with a value of 118.8, a 2.0 percentage point increase from 2014. The RPP value of 118.8 means on average all items sold in Hawaii in 2015 cost 18.8 percent more than the U.S. average. The value of Mississippi's RPP fell 0.6 percentage point in 2015 to 86.2, the lowest in the nation. This value means that on average all items sold in the state in 2015 cost 13.8 percent less than the U.S. average, which is similar to the interpretation of the RPP for Hawaii. Notably, the RPP for Alabama declined 0.9 percentage point in 2015, moving the state down to forty-ninth among all states. Other southeastern states that maintained relatively low RPPs in 2015 include Arkansas and Kentucky. Florida had the highest-valued RPP among all southeastern states in 2015, ranking sixteenth among all states. A total of fourteen states had RPPs with values greater than 100.0 in 2015, meaning the relative cost of living was higher than the U.S. average. The state with a RPP value that was closest to the U.S. average in 2015 was Illinois with a RPP of 99.7. 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.

After BEA adjusted the incomes for each state for RPPs, it then adjusted the incomes for inflation using the national Personal Consumption Expenditures (PCE) price index. Similar to the more well-known Consumer Price Index (CPI), the PCE is generally considered more comprehensive. Among other differences with the CPI, the PCE uses more expenditures and weights their values according to surveys of businesses as opposed to consumers. The value of the CPI most of the time runs higher than the value of the PCE. In 2014 the value of the PCE index for the U.S. increased 0.3 percent and U.S. nominal income grew 4.5 percent. Therefore, subtracting the change in the PCE index from the change in nominal income yields the average increase in real income of 4.1 percent for the U.S. mentioned above (after adjusting for differences due to rounding).

Table 3. Regional price parities by state, 2015

Hawaii	118.8
New York	115.3
California	113.4
New Jersey	113.4
Maryland	109.6
Connecticut	108.7
Massachusetts	106.9
Alaska	105.6
New Hampshire	105.0
Washington	104.8
Colorado	103.2
Virginia	102.5
Vermont	101.6
Delaware	100.4
Illinois	99.7
Florida	99.5
Oregon	99.2
Rhode Island	98.7
Maine	98.0
Nevada	98.0
Pennsylvania	97.9
Minnesota	97.4
Utah	97.0
Texas	96.8
Arizona	96.2
Wyoming	96.2
Montana	94.8
New Mexico	94.4
Michigan	93.5
Idaho	93.4
Wisconsin	93.1
Georgia	92.6
North Dakota	92.3
North Carolina	91.2
Indiana	90.7
Louisiana	90.6
Nebraska	90.6
Kansas	90.4
Iowa	90.3
South Carolina	90.3
Oklahoma	89.9
Tennessee	89.9
Missouri	89.3
Ohio	89.2
West Virginia	88.9
Kentucky	88.6
South Dakota	88.2
Arkansas	87.4
Alabama	86.8
Mississippi	86.2

Source: U.S. Bureau of Economic Analysis

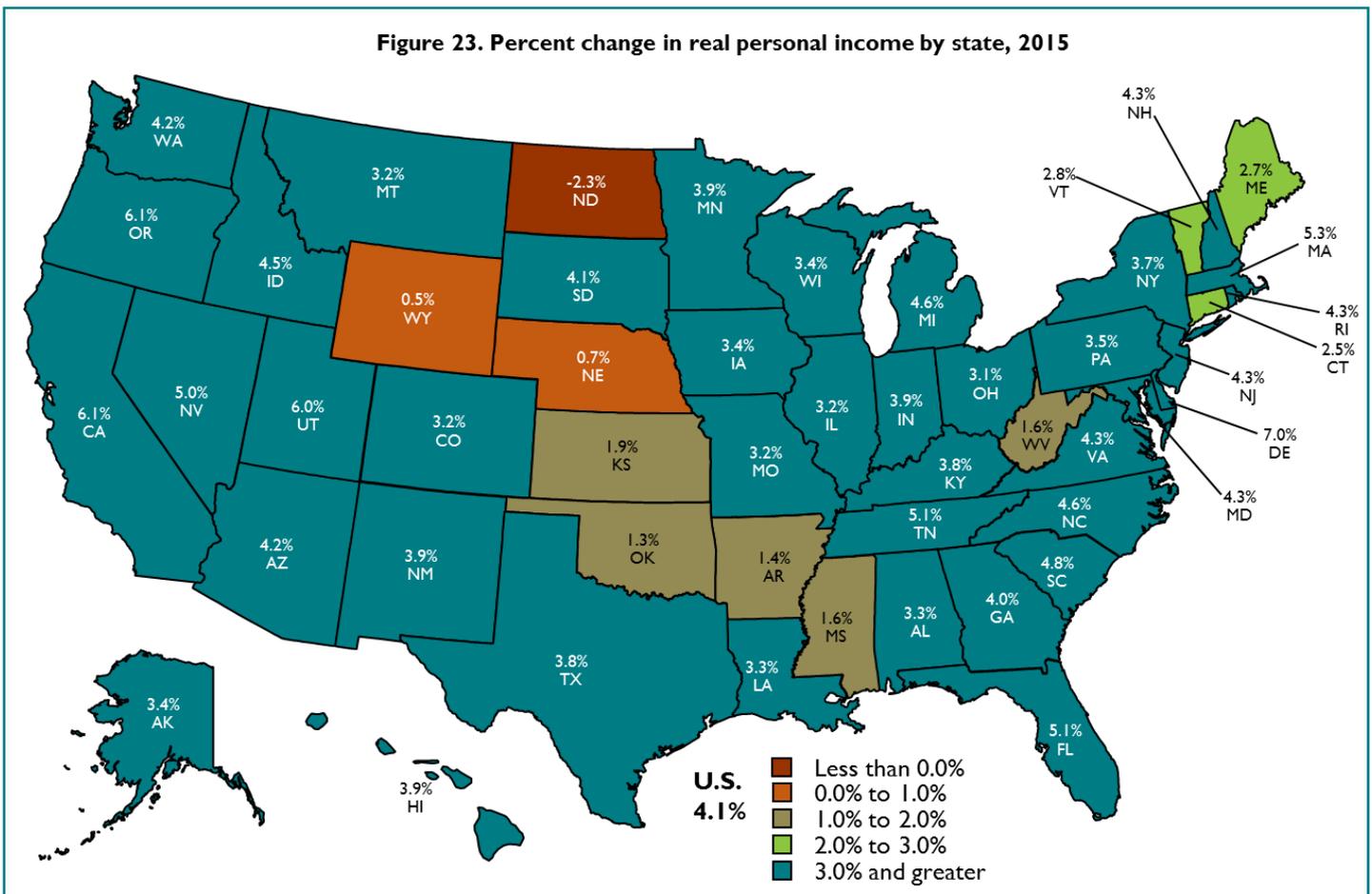
MISSISSIPPI'S BUSINESS

CHANGE IN MISSISSIPPI REAL INCOME IN 2015, CONTINUED

While U.S. real income growth improved from 3.6 percent to 4.1 percent from 2014 to 2015, increases in growth rates were not widespread across states. In the Southeast, seven states including Mississippi experienced lower real income growth in 2015 compared to 2014. Real income growth also slowed in states with substantial energy sectors including North Dakota, Texas, Oklahoma, Louisiana, West Virginia, and Wyoming.

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 0.3. The IRPD is considered an indirect measure of inflation because it is calculated from two existing values.

Mississippi's IRPD in 2015 had a value of 94.3, indicating regional inflation increased 0.2 percent from the previous year. As noted above, this rate was slightly less than the rate for the U.S. All states did not experience inflation in 2015 as the IRPD values for eight states decreased from the previous year. These states include Alabama and Louisiana. The largest decrease occurred in Delaware, where the IRPD fell 0.7 percent in 2015 and the largest increase was found in North Dakota where the value of its IRPD rose 1.2 percent. These changes in IRPDs contributed to these states having the largest and smallest changes, respectively, in real income in 2015.



Source: U.S. Bureau of Economic Analysis