



ECONOMY AT A GLANCE

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

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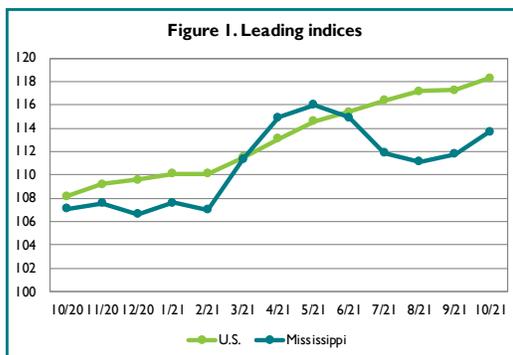
As seen in Figure 1 the value of the Mississippi Leading Index (MLI) increased 1.7 percent in October. Compared to one year earlier the value of the MLI for the month was up 6.2 percent.

The value of the Mississippi Coincident Index (MCI) increased 0.8 percent in October as seen in Figure 2. The value for the month was 3.5 percent higher compared to one year ago.

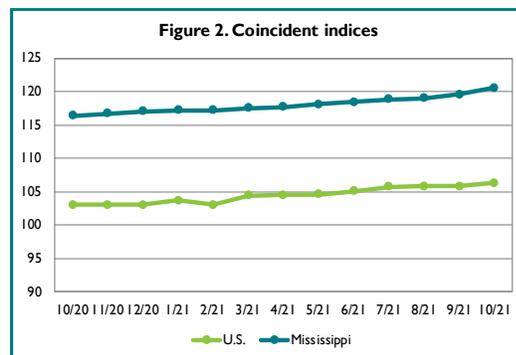
The U.S. Bureau of Economic Analysis (BEA) reported in its second estimate of the change in U.S. real GDP in the third quarter of 2021 an increase of 2.1 percent at a seasonally-adjusted, annualized rate. This increase was 0.1 percentage point higher compared to its initial estimate. Consumer spending, private inventory investment, state and local government spending, and net exports were all revised up, which led to the slightly higher second

estimate. These upward revisions were partially offset by downward revisions to nonresidential and residential fixed investment, federal government spending, and net exports.

Mississippi's economy continued to improve in October as indicated by the MLI. Initial unemployment claims fell by the largest percentage in five months and building permits increased at the largest monthly rate in over three years. Employment grew by a relatively strong 0.7 percent in October as the job market continued to rebound from the rise in COVID-19 cases caused by the delta variant in the summer. Continued supply chain issues and above trend inflation rates remain challenges to the recovery. Risks to the recovery include another wave of COVID-19 infections following the holiday season over the winter months.



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 2007. 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 2007.

MISSISSIPPI'S BUSINESS**MISSISSIPPI LEADING INDEX, OCTOBER 2021**

The value of the **Mississippi Leading Index of Economic Indicators (MLI)** increased in October for the second consecutive month. As Figure 3 indicates the value increased 1.7 percent, the largest monthly gain since April. Compared to one year earlier the value of the MLI in October was up 6.2 percent. The value of the MLI decreased 1.1 percent over the last six months.

In October five of the seven components of the MLI increased in value. Initial unemployment claims made the largest positive contribution for the month while income tax withholdings and consumer expectations made negative contributions. Each component is discussed below in order of largest to smallest contribution.

The number of seasonally-adjusted **initial unemployment claims** in Mississippi sank 32.4 percent in October as seen in Figure 4, the largest monthly decrease since May. The value for the month was 62.2 percent lower compared to one year earlier. The number of seasonally-adjusted continued unemployment claims in Mississippi fell 15.1 percent in October as seen in Figure 16 on page 6, the eleventh consecutive monthly decline. Compared to one year earlier the number of continued unemployment claims in Mississippi for the month was down 83.3 percent. The seasonally-adjusted unemployment rate in Mississippi fell 0.3 percentage point in October to 5.5 percent as seen in Figure 17 on page 6. The rate was 1.4 percentage points lower for the month compared to one year earlier.

The value of **Mississippi residential building permits** (three-month moving average) increased 9.0 percent in October as seen in Figure 5, the largest monthly gain since February 2017. The value for the month was down 2.3 percent compared to one year earlier. The number of units in the state was up 6.7 percent in October. The number of units in the state for the month was down 2.7 percent compared to one year earlier. The number of privately-owned housing units authorized by building permits in the U.S. in October increased 4.0 percent from the revised September rate. The number of units in the U.S. for the month compared to one year earlier was 3.4 percent higher.

For the third consecutive month the value of **U.S. retail sales** increased in October as seen in Figure 6. The value of sales rose 1.7 percent for the month and was 16.3 percent higher compared to one year earlier. The largest increase in sales among all segments in October was in Nonstore Retailers, possibly indicating seasonal growth in

sales occurred earlier than usual as consumers got a head start on holiday shopping to deal with supply chain issues. The only decrease in sales among all segments for the month occurred in Clothing and Accessories.

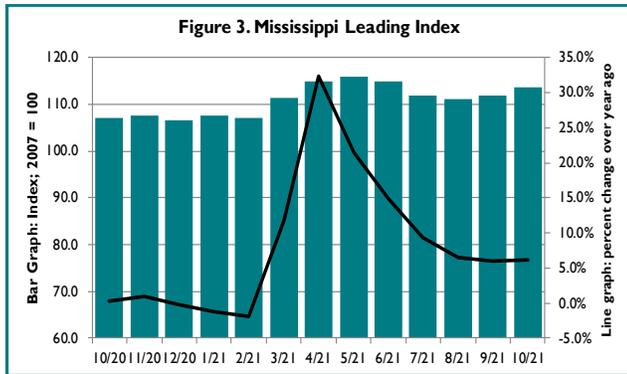
As seen in Figure 7 the value of the **Mississippi Manufacturing Employment Intensity Index** rose 1.3 percent in October, its second consecutive monthly increase following revisions to the September value. Compared to one year earlier the value for the month was up 4.5 percent. While Manufacturing employment in the state fell 0.5 percent in October, this decrease was more than offset by the 1.8 percent increase in the average weekly hours of production employees for the month.

Figure 8 indicates in November the **ISM Index of U.S. Manufacturing Activity** regained the value it lost the previous month, as the value rose 0.5 percent. The slight increase likely meant supply chain problems improved a little in November. The value for the month was 6.3 percent higher compared to one year earlier. Three of the five components increased for the month. The Inventories component edged lower and the Supplier Deliveries component decreased, which means delivery times fell in November. The prices paid index decreased for the month although all of the industries included in the index reported higher prices. The prices of a few commodities were reported down in November, including aluminum and steel.

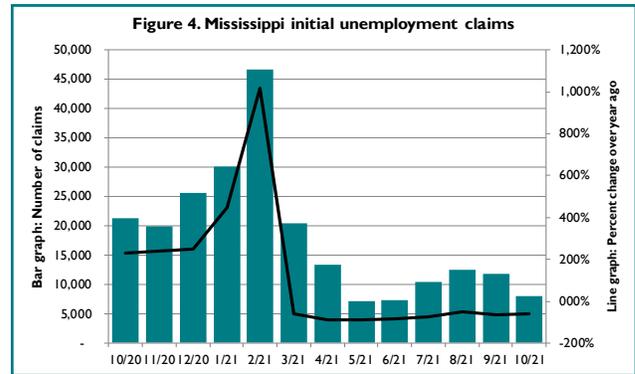
For the fifth consecutive month the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) decreased in October as seen in Figure 9. The value for the month fell 0.8 percent. The October value was down 11.5 percent compared to one year earlier. Rising inflation, particularly for gasoline, as well as the increase in COVID-19 infections in parts of the U.S. continued to weigh on consumer sentiment and outlooks. In the most recent survey both short-term (one-year) inflation expectations and long-term (five-year) inflation expectations increased slightly.

Mississippi income tax withholdings (three-month moving average) fell in value by 1.4 percent in October as seen in Figure 10, the largest monthly decrease since May. Compared to one year earlier the value of withholdings in October was up 0.6 percent. The value of income tax withholdings in Mississippi rose 0.9 percent over the last six months.

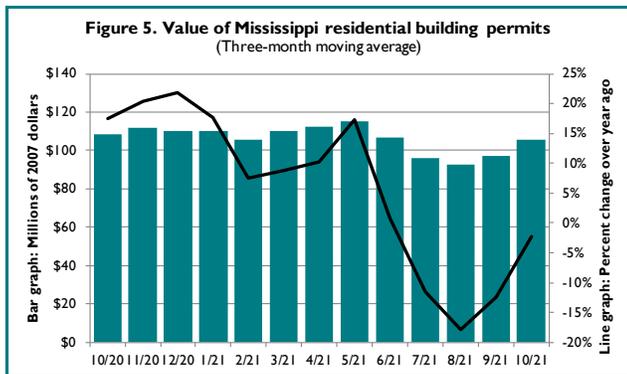
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



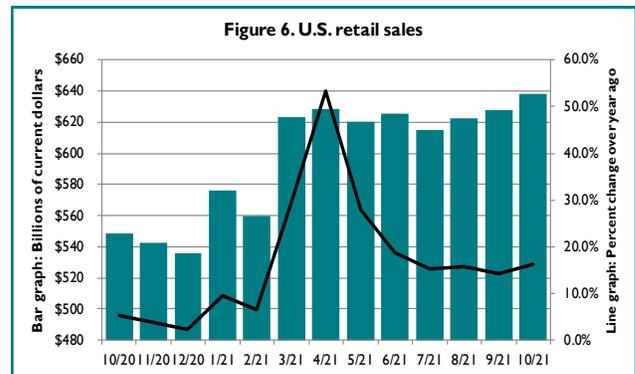
Source: University Research Center



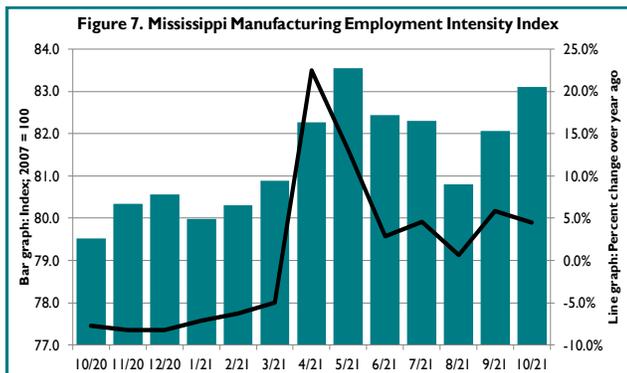
Source: U.S. Department of Labor; seasonally adjusted



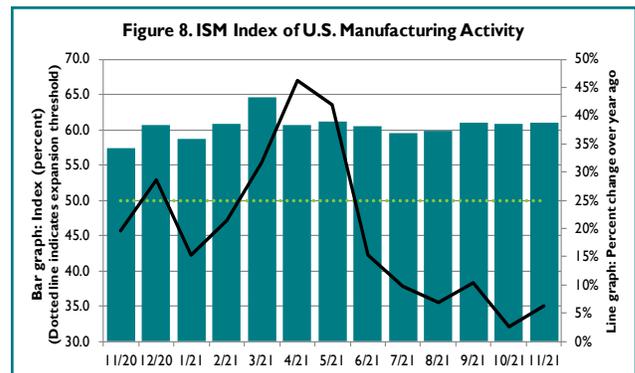
Source: U.S. Bureau of the Census; seasonally adjusted



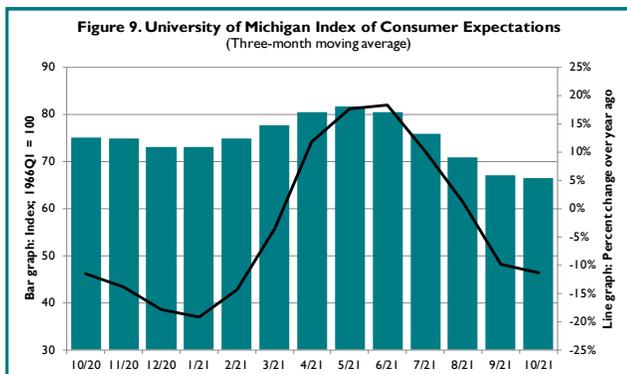
Source: U.S. Bureau of the Census



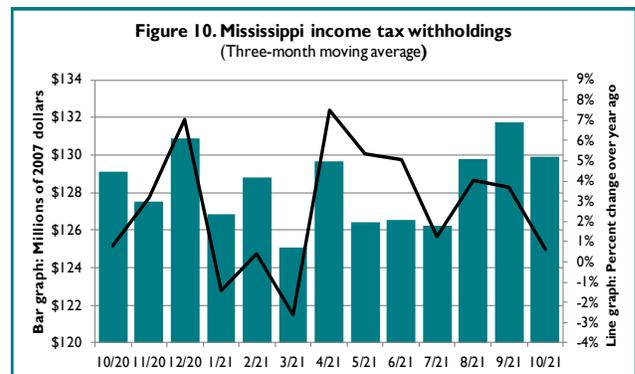
Source: URC using data from U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: Thomson Reuters/University of Michigan Surveys of Consumers



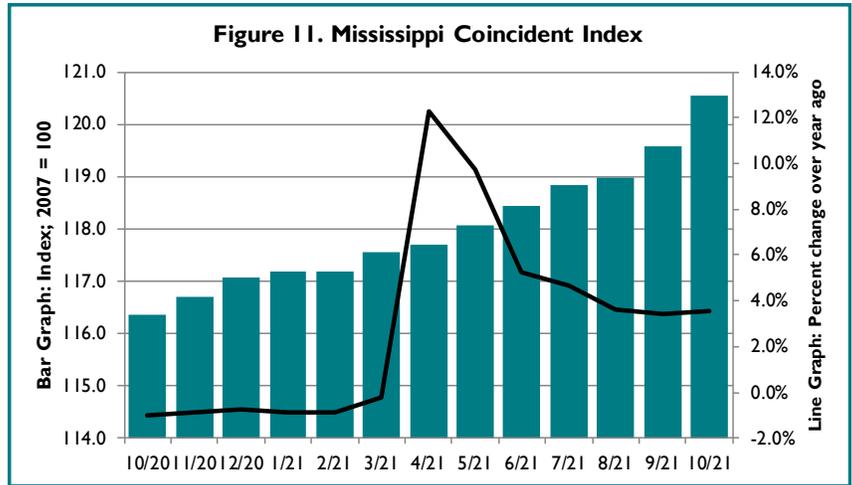
Source: Mississippi Department of Revenue; seasonally adjusted

MISSISSIPPI'S BUSINESS

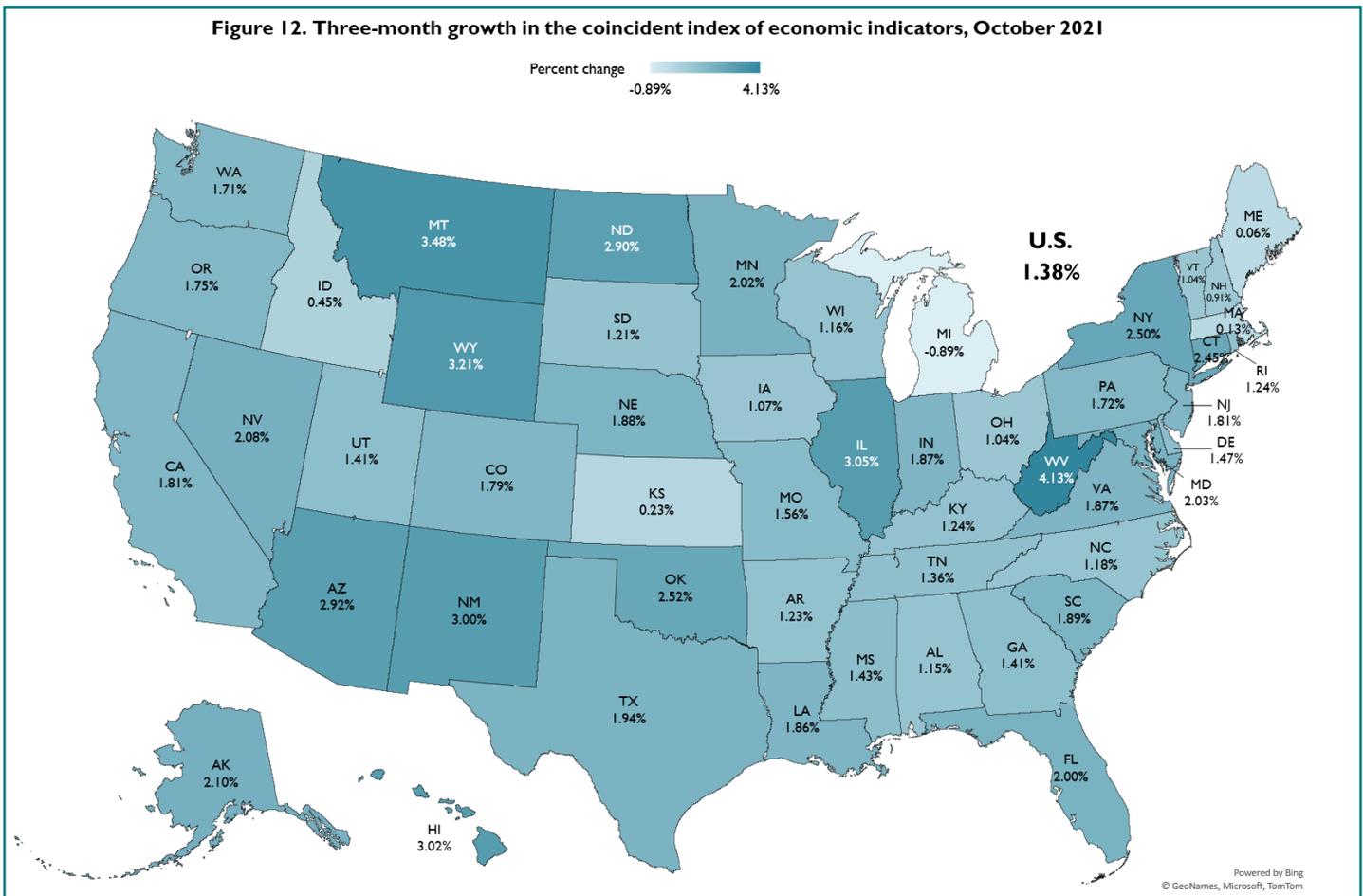
MISSISSIPPI COINCIDENT INDEX, OCTOBER 2021

According to the Federal Reserve Bank of Philadelphia the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** increased 0.8 percent as seen in Figure 11. The value of the MCI in October was 3.5 percent higher compared to one year earlier.

The values of the coincident indices increased in forty-nine states in October compared to July as seen in Figure 12. In six states the values of the coincident indices increased 3.0 percent or more over the last three months. The largest increase among all states compared to three months earlier occurred in West Virginia, where the value of the coincident index rose 4.1 percent. The values of coincident indices increased between 2.0 percent and 3.0 percent in nine states in October compared to July. Mississippi was one of thirty-four states where the values of the coincident index rose 2.0 percent or less over the last three months. The only state where the value of the coincident index decreased between July and October was Michigan.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

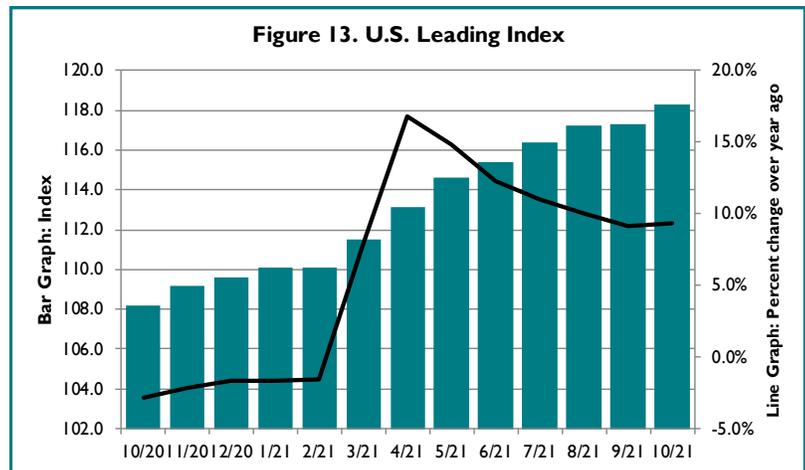
NATIONAL TRENDS

Figure 13 indicates the value of the U.S. Leading Economic Index (LEI) increased 1.0 percent in October according to The Conference Board. Compared to one year earlier the value of the LEI was up 9.3 percent for the month. Eight of the ten components of the LEI made positive contributions in October. The largest contribution came from average weekly initial claims for unemployment insurance. The value of the LEI rose 4.6 percent over the last six months.

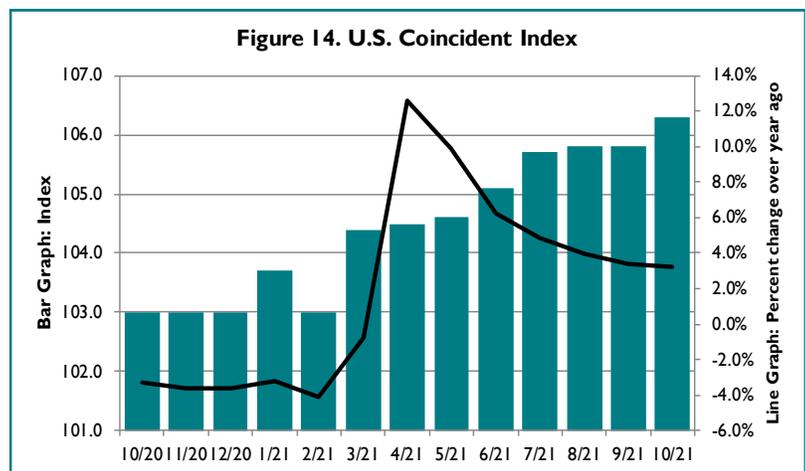
According to The Conference Board the value of the U.S. Coincident Economic Index (CEI) rose 0.5 percent in October as seen in Figure 14. Compared to one year earlier the value of the CEI for the month was 3.2 percent higher. All four components of the CEI made positive contributions in October. The largest contribution came from industrial production. Over the last six months the value of the CEI increased 1.7 percent.

Figure 15 indicates the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index decreased 1.0 percent in October, its second consecutive monthly decline. The value of the Index for the month was down 5.7 percent compared to one year earlier. For the month seven of the ten components decreased and two were unchanged. The largest decrease among all components occurred in the “earnings trends” component, which has been negative for almost two years. The only component to increase in October was “plans to make capital expenditures.” The “plans to raise prices” measure surged almost 11 percent in October.

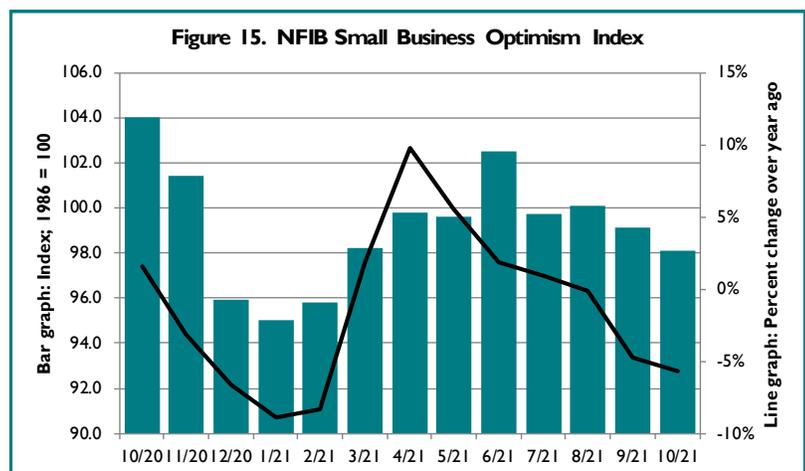
Federal Reserve Chairman Jerome Powell told the Senate Banking Committee in November the central bank will consider accelerating the reduction in its monthly purchases of financial assets, most likely during this month’s meeting of the Federal Open Market Committee (FOMC). Such a move likely means the FOMC will raise its short-term benchmark interest rate sooner than previous comments indicated. Powell stated “The risks of higher inflation have moved up.” Significantly, when discussing inflation Powell also stated, “I think it’s a good time to retire that word [transitory] and try to explain more clearly what we mean.”



Source: The Conference Board



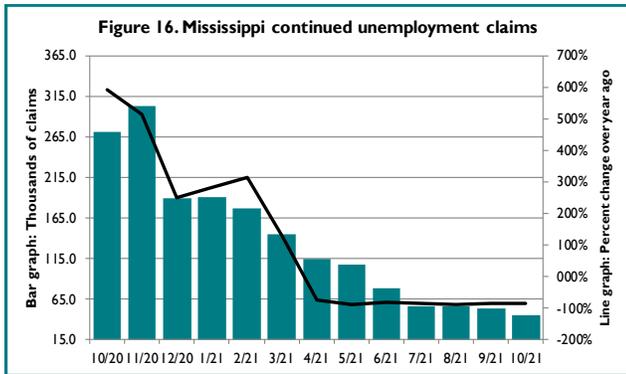
Source: The Conference Board



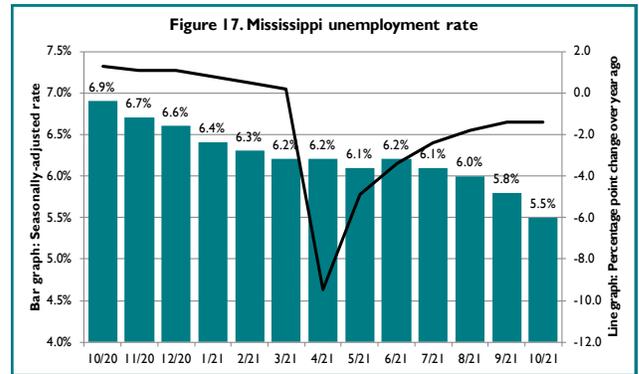
Source: National Federation of Independent Businesses

MISSISSIPPI'S BUSINESS

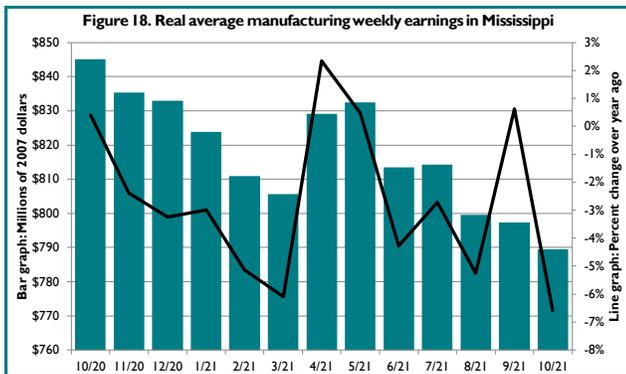
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



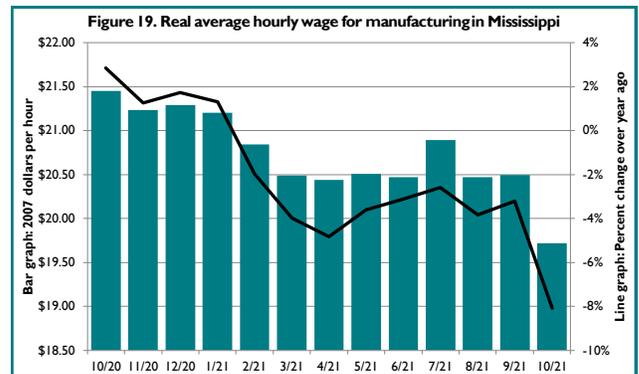
Source: U.S. Department of Labor; seasonally adjusted



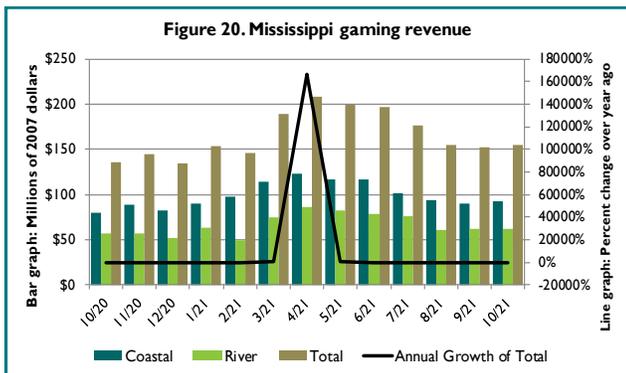
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



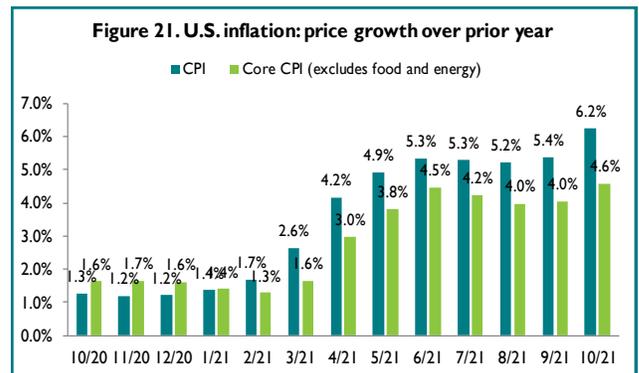
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



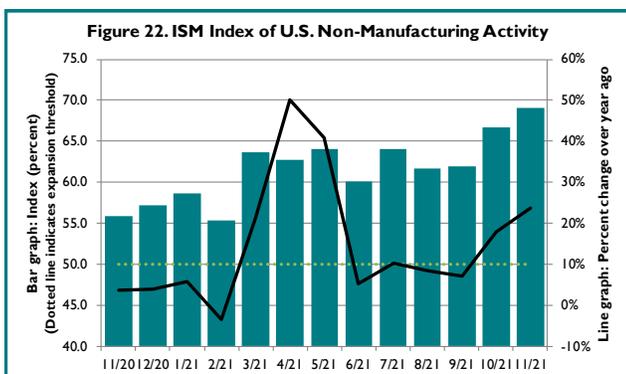
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



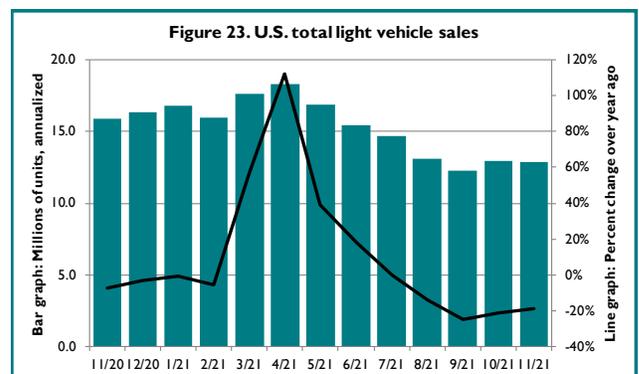
Source: Mississippi Department of Revenue; seasonally adjusted



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	October	September	October	Percent change from	
	2021	2021	2020	September 2021	October 2020
U.S. Leading Economic Index 2007 = 100. Source: The Conference Board	118.3	117.3	108.2	▲1.0%	▲9.3%
U.S. Coincident Economic Index 2007 = 100. Source: The Conference Board	106.3	105.8	103.0	▲0.5%	▲3.2%
Mississippi Leading Index 2007 = 100. Source: University Research Center	113.7	111.8	107.1	▲1.7%	▲6.2%
Mississippi Coincident Index 2007 = 100. Source: Federal Reserve Bank of Philadelphia	120.5	119.6	116.4	▲0.8%	▲3.5%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	8,039	11,887	21,275	▼32.4%	▼62.2%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	105.9	97.1	108.4	▲9.0%	▼2.3%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	129.9	131.7	129.1	▼1.4%	▲0.6%
Mississippi Manufacturing Employment Intensity Index 2007 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	83.1	82.1	79.5	▲1.3%	▲4.5%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	66.5	67.0	75.1	▼0.8%	▼11.5%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	61.1	60.8	57.5	▲0.5%	▲6.3%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	638.2	627.5	548.7	▲1.7%	▲16.3%
U.S. Consumer Price Index (CPI)	133.5	132.2	125.6	▲0.9%	▲6.2%
U.S. Core CPI (excludes food and energy) 2007 = 100. Source: URC using data from Bureau of Labor Statistics	133.7	132.9	127.8	▲0.6%	▲4.6%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	5.5%	5.8%	6.9%	▼0.3	▼1.4
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	45,430	53,518	272,215	▼15.1%	▼83.3%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	69.1	66.7	55.9	▲3.6%	▲23.6%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	2.95%	2.93%	2.95%	▲0.02	◀▶ 0.00
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2007 dollars. Source: U.S. Bureau of Labor Statistics	19.72	20.50	21.45	▼3.8%	▼8.1%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2007 dollars. Source: U.S. Bureau of Labor Statistics	789.44	797.24	845.14	▼1.0%	▼6.6%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	98.1	99.1	104.0	▼1.0%	▼5.7%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	12.86	12.96	15.87	▼0.7%	▼19.0%
Gaming revenue	154.4	152.2	136.4	▲1.4%	▲13.2%
Coastal counties	92.7	90.2	79.3	▲2.8%	▲16.9%
River counties Seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	61.7	62.2	57.1	▼0.6%	▲8.1%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

The U.S. Bureau of Labor Statistics (BLS) reported total nonfarm employment in Mississippi increased by 7,700 jobs in October, a gain of 0.7 percent. September employment in the state was revised up by 1,000 jobs. Compared to one year ago, total nonfarm employment in Mississippi in October was up by 26,900 jobs, an increase of 2.4 percent. Through October the state has added 21,000 jobs in 2021.

Total nonfarm employment increased in twenty-five states and the District of Columbia in October according to BLS and was essentially unchanged in twenty-five states. California added 96,800 jobs for the month, the most among all states, followed by Texas, which added 56,600 jobs, and New York, which added 43,900 jobs. Employment increased 1.9 percent for the month in Louisiana, the largest percentage increase among all states. Employment increased 1.4 percent in Alaska and the District of Columbia, the next largest increases.

A total of forty-eight states and the District of Columbia added jobs over the last twelve months and employment was essentially unchanged in Montana and Wyoming. The largest increase in employment among all states occurred in California, which added 811,200 jobs, followed by Texas, which added 661,300 jobs, and Florida, which added

428,600 jobs. The largest percentage increase in employment over the last twelve months as of October occurred in Hawaii, where employment rose 10.5 percent.

The largest increase in employment in October among all sectors in Mississippi occurred in Trade, Transportation, and Utilities, which added 3,800 jobs for the month. The next largest increase was in Professional and Business Services, which added 1,700 jobs for the month. Employment in Arts and Entertainment rose 15.9 percent, the largest percentage increase among all sectors and an addition of 1,300 jobs. Government had the largest decrease in employment among all sectors for the month of 800 jobs. The largest percentage decrease in employment among all sectors was the 1.8 percent decrease in Mining and Logging, a loss of 100 jobs.

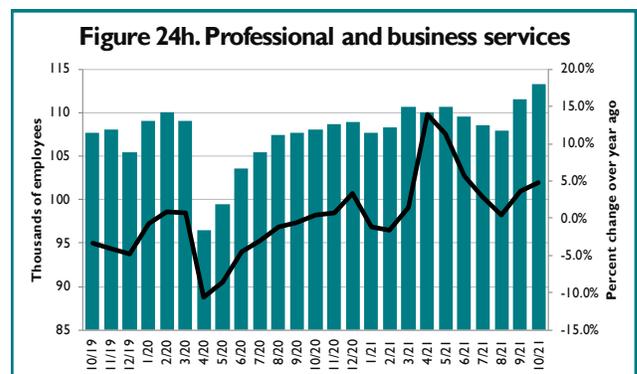
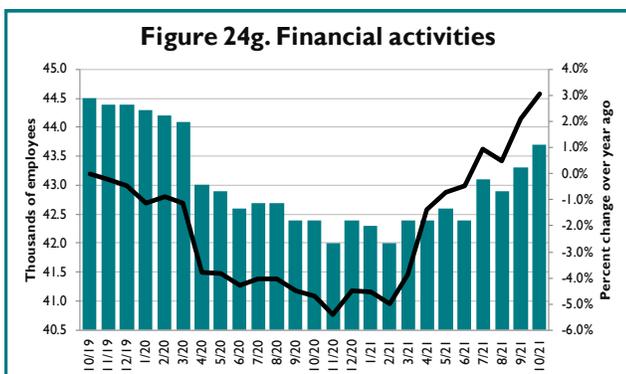
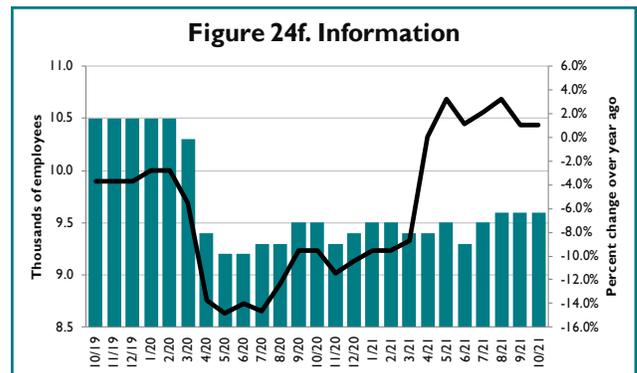
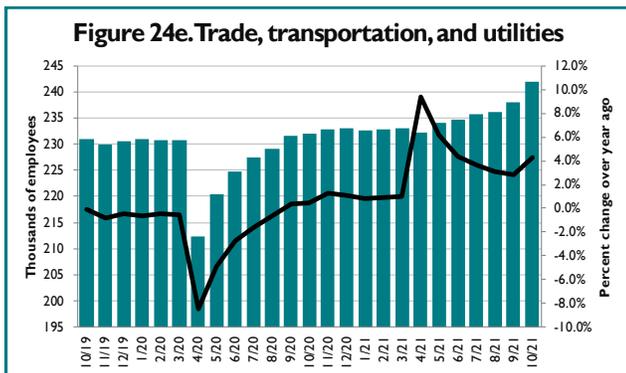
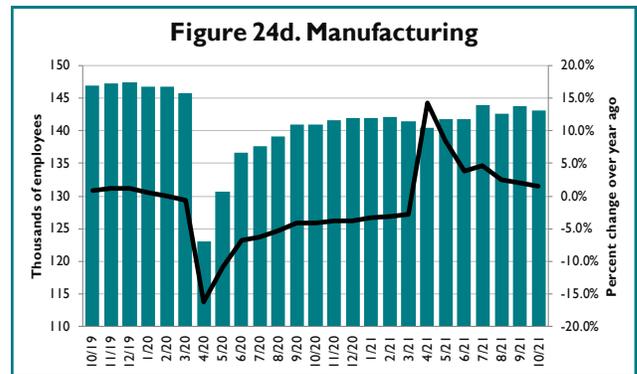
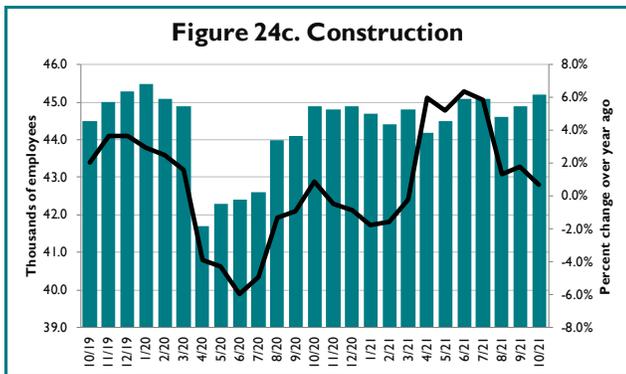
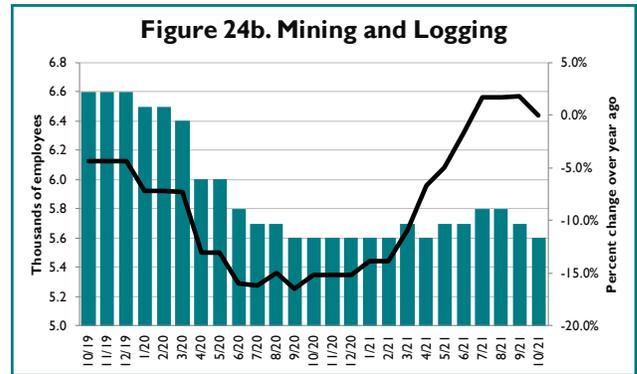
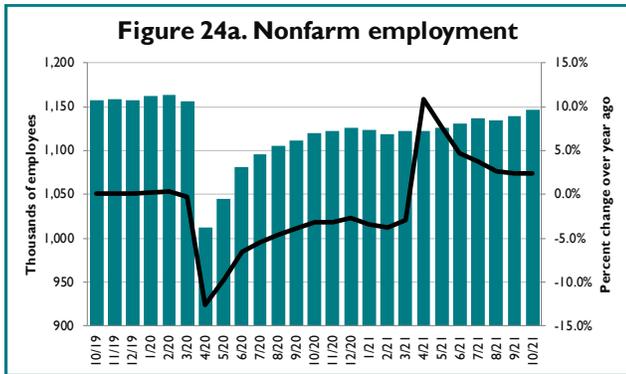
Trade, Transportation, and Utilities added 9,900 jobs over the last twelve months as of October, the most among all sectors in the state. The largest percentage increase occurred in Arts and Entertainment, as employment in the sector in October was up 13.1 percent compared to one year earlier. The only sectors that did not add jobs over the last twelve months were Government and Mining and Logging. Government lost 4,100 jobs while employment in Mining and Logging was unchanged.

Table 2. Change in Mississippi employment by industry, October 2021

	Relative share of total ^a	October 2021	September 2021	October 2020	Change from September 2021		Change from October 2020	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,146,900	1,139,200	1,120,000	▲7,700	▲0.7%	▲26,900	▲2.4%
Mining and Logging	0.5%	5,600	5,700	5,600	▼100	▼1.8%	◀▶0	◀▶0.0%
Construction	4.0%	45,200	44,900	44,900	▲300	▲0.7%	▲300	▲0.7%
Manufacturing	12.6%	143,100	143,800	140,900	▼700	▼0.5%	▲2,200	▲1.6%
Trade, Transportation & Utilities	20.8%	241,900	238,100	232,000	▲3,800	▲1.6%	▲9,900	▲4.3%
Retail Trade	11.8%	135,400	134,200	134,700	▲1,200	▲0.9%	▲700	▲0.5%
Information	0.8%	9,600	9,600	9,500	◀▶0	◀▶0.0%	▲100	▲1.1%
Financial Activities	3.8%	43,700	43,300	42,400	▲400	▲0.9%	▲1,300	▲3.1%
Services	36.8%	425,800	421,000	408,600	▲4,800	▲1.1%	▲17,200	▲4.2%
Professional & Business Services	9.7%	113,300	111,600	108,100	▲1,700	▲1.5%	▲5,200	▲4.8%
Educational Services	1.0%	11,800	11,800	11,100	◀▶0	◀▶0.0%	▲700	▲6.3%
Health Care and Social Assistance	11.4%	130,500	130,000	128,000	▲500	▲0.4%	▲2,500	▲2.0%
Arts and Entertainment	0.8%	9,500	8,200	8,400	▲1,300	▲15.9%	▲1,100	▲13.1%
Accommodation and Food Services	10.3%	119,000	117,700	112,800	▲1,300	▲1.1%	▲6,200	▲5.5%
Other Services	3.6%	41,700	41,700	40,200	◀▶0	◀▶0.0%	▲1,500	▲3.7%
Government	20.8%	232,000	232,800	236,100	▼800	▼0.3%	▼4,100	▼1.7%

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

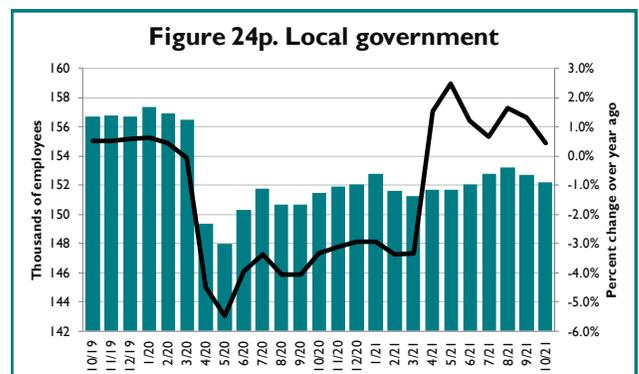
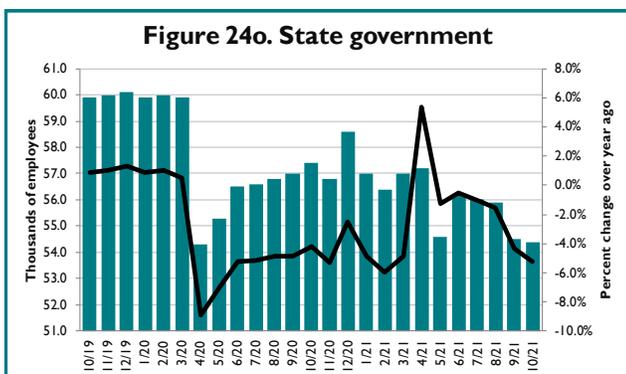
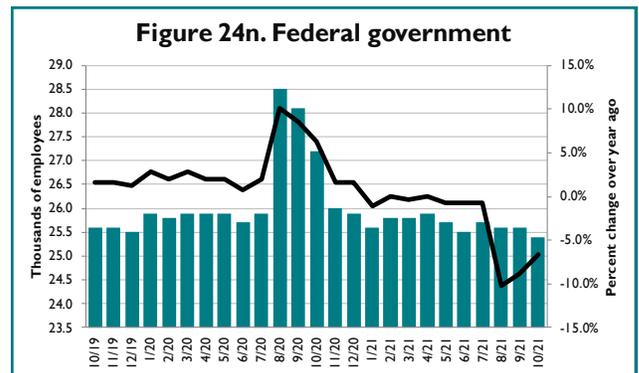
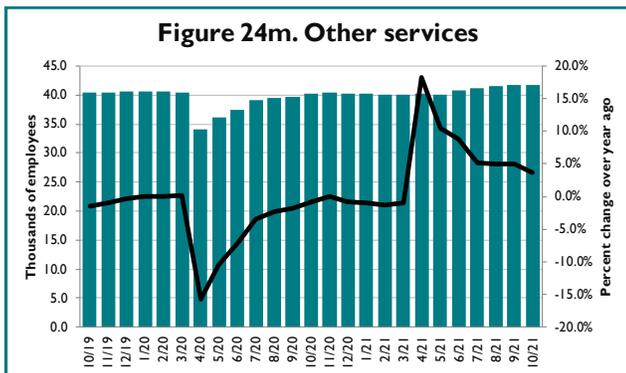
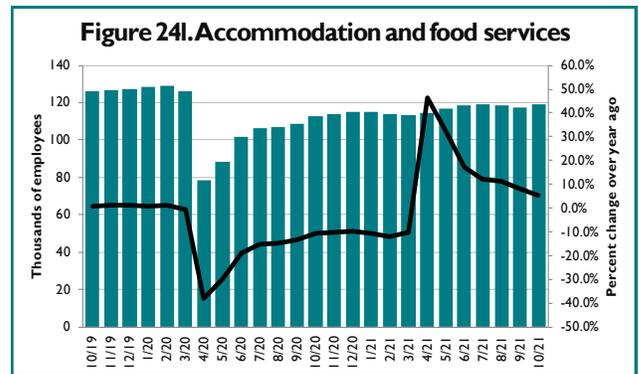
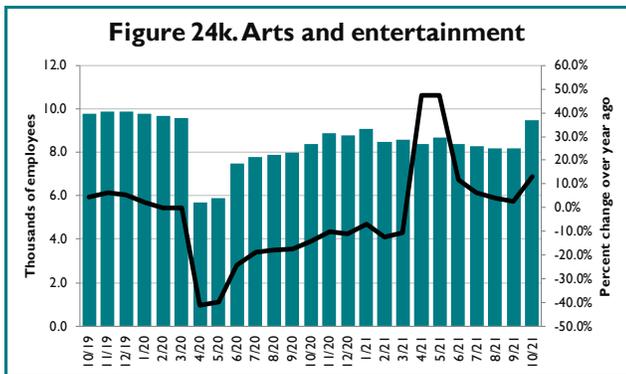
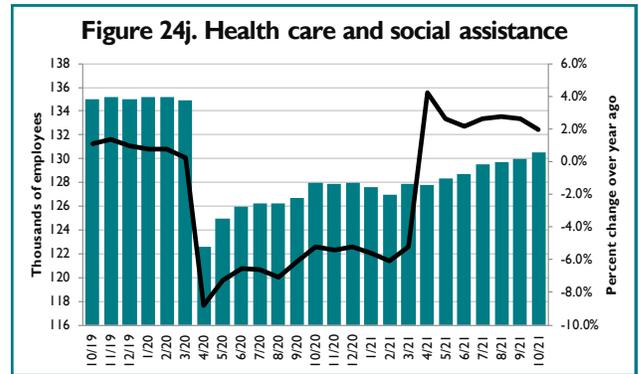
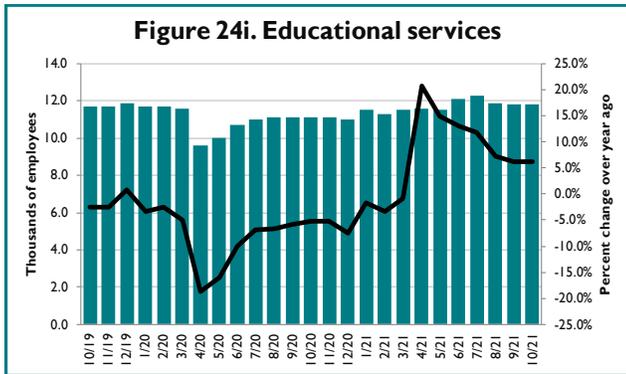
MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



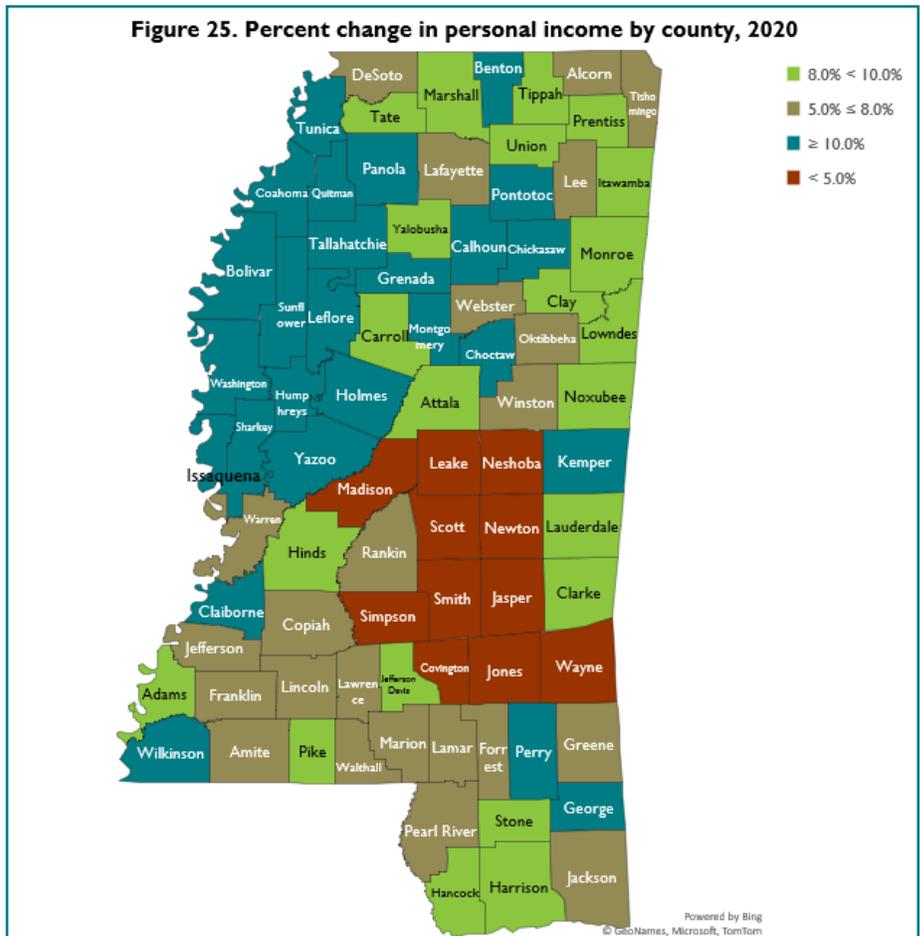
Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

CHANGES IN COUNTY PERSONAL INCOME FOR 2020

Personal income increased in every county in Mississippi in 2020 according to the U.S. Bureau of Economic Analysis (BEA). The agency recently released estimates of the change in personal income for all counties in the U.S. in 2020. These income estimates have not been adjusted for inflation. As noted in last month's *Mississippi's Business*, personal income for the state as a whole increased 7.4 percent in 2020, the largest annual increase since 1994. This increase was greater than the U.S. increase in personal income of 6.6 percent and ranked thirteenth among all states and the District of Columbia in 2020. Figure 25 below indicates the increase in personal income by county in Mississippi ranged from 1.0 percent to 45.5 percent. The largest increases occurred in Issaquena County and Sharkey County at 45.5 percent and 24.5 percent, respectively. These two counties are very sparsely populated, however, which was likely a factor in the outsized increases. Nevertheless, the 45.5 percent increase in personal income in Issaquena County ranked fourth among all counties in the U.S. A total of twenty-six counties in the state experienced increases in personal income of 10.0 percent or more in 2020. Like Issaquena and Sharkey, most of these counties were located in the Delta region of the state. Personal income increased between 5 and 10 percent in forty-four counties in the state, while only twelve counties experienced increases in personal income of 5 percent or less. Most of the counties with the smallest increases in personal income were located in the central region of the state, along with some counties in the southeastern region of the state. The increases in personal income in sixty-three counties in Mississippi exceeded the U.S. increase of 6.6 percent.

Personal current transfer receipts accounted for 93.6 percent of the \$8.65 million increase in personal income in the state in 2020, slightly higher than the 91.5 percent share for the U.S. Most of these transfer receipts were the result of payments from the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020.

Figure 26 depicts the change in personal income for all counties in the U.S. in 2020. According to BEA, personal income increased in 3,040 counties, decreased in 69 counties, and was unchanged in 3 counties. Notably, BEA reported personal income increased 7.6 percent in the nonmetropolitan area of the U.S. compared to the 6.4 percent increase in the metropolitan area. The largest increase in personal income among all counties was the 54.8 percent increase in Clark County, South Dakota, while the largest decrease was the 18.0



Source: U.S. Bureau of Economic Analysis

MISSISSIPPI'S BUSINESS

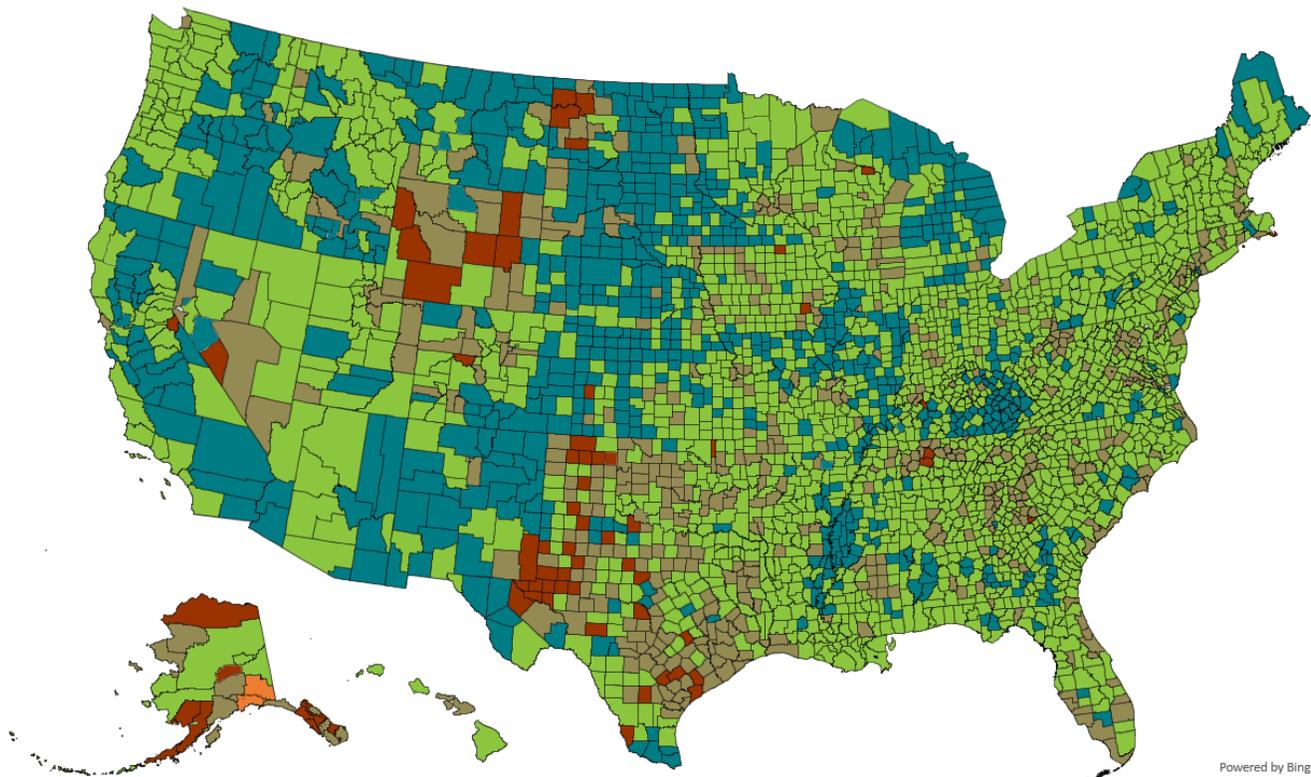
CHANGES IN COUNTY PERSONAL INCOME FOR 2020, CONTINUED

percent decline in Skagway Municipality, Alaska. As in Mississippi, transfer payments were responsible for much of the increases in personal income in many counties in the U.S. BEA noted that without the increase in transfer receipts in 2020, personal income would have increased in 2,006 counties, decreased in 1,038 counties, and not changed in 68 counties.

Figure 26 indicates a majority of the counties that experienced the largest increases in personal income in 2020 were located in western states. Counties in the upper Midwest, particularly in North Dakota and South Dakota, experienced some of the largest gains among all counties in the U.S. Personal income in over a dozen counties in each of these states increased by more than 20.0 percent in 2020. However, many of these counties are relatively sparsely populated as well. In contrast, a number of counties in west Texas experienced decreases or some of the smallest increases in personal income among all counties. Counties in the panhandle region of Texas and Oklahoma also experienced relatively small increases in personal income. Similarly, most counties in Wyoming experienced increases in personal income below the U.S. average. Notably, the energy sector is an important part of the economies in each of these three states where the change in personal income was negative or relatively small in 2020. Petroleum prices were depressed for much of the year due to the decrease in economic activity as part of measures taken by governments to counter COVID-19. Thus, despite the transfer receipts from the federal government, personal incomes in these counties still decreased or grew relatively little in 2020.

Figure 26. Percent change in personal income by county, 2020.

■ N/A
 ■ > 10.0%
 ■ 5.0% ≤ 10.0%
 ■ 0.0% < 5.0%
 ■ < 0.0%



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Source: U.S. Bureau of Economic Analysis.