



ECONOMY AT A GLANCE

Inside this issue:

Mississippi Leading Index, October 2022	2
Mississippi Coincident Index, October 2022	4
National Trends	5
Mississippi Employment Trends	8
Change in Real GDP by County in Mississippi for 2021	11

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

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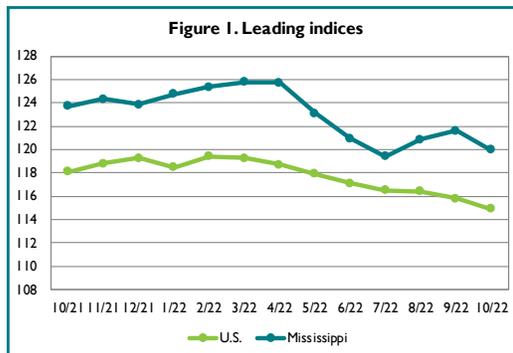
Figure 1 indicates the value of the Mississippi Leading Index (MLI) decreased 1.3 percent in October. The value of the MLI for the month was down 3.0 percent compared to one year earlier.

The value of the Mississippi Coincident Index (MCI) decreased 0.2 percent in October as seen in Figure 2. Compared to one year ago the value for the month was 1.8 percent higher.

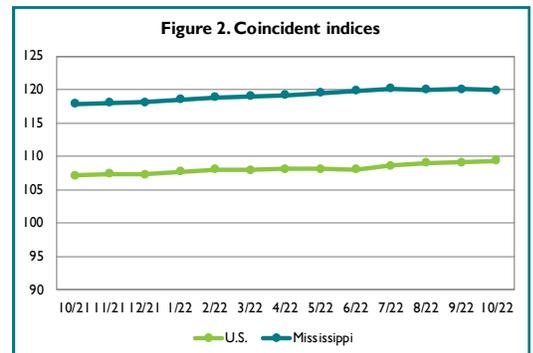
In its second estimate of the change in U.S. real GDP in the third quarter of 2022, the U.S. Bureau of Economic Analysis reported an increase of 2.9 percent at a seasonally-adjusted, annualized rate. This estimate represents an increase of 0.3 percentage point from the initial estimate. The increase from the initial estimate resulted from upward revisions to consumer spending and nonresidential fixed investment, which were partially offset by a

downward revision to private inventory investment.

Declines were widespread across the components of the MLI in October. The labor market in Mississippi continued to show signs of weakness as both initial and continued unemployment claims rose for the month while nonfarm employment fell slightly. Relatedly, income tax withholdings experienced the largest monthly decrease in almost two years. These movements point to a slowing economy in the state. On a positive note, building permits in Mississippi were not a drag on the MLI for the first time since February. However, the growth is probably temporary as interest rates are expected to continue to rise. Both the state and national economies are likely to continue to slow through the end of the year, raising the likelihood a mild recession occurs in 2023.



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 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 2012.

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

The value of the **Mississippi Leading Index of Economic Indicators (MLI)** fell 1.3 percent in October, the fifth decline in 2022. Compared to one year earlier the value of the MLI in October was 3.0 percent lower, the sixth consecutive month with a year-over-year decrease. The value of the MLI decreased 4.6 percent over the last six months.

Five of the seven components of the MLI decreased in value in October. The largest negative contribution for the month came from initial unemployment claims. Each component is discussed below in order of smallest to largest contribution.

The number of seasonally-adjusted **initial unemployment claims** in Mississippi jumped 38.3 percent in October as Figure 4 indicates. The increase was the first since July and the largest monthly increase since February 2021. Compared to one year ago the value for the month was down 24.2 percent. The number of seasonally-adjusted continued unemployment claims in Mississippi climbed 24.0 percent in October as seen in Figure 16 on page 6. The number of continued unemployment claims in the state for the month compared to one year earlier was 36.3 percent lower. In October the unemployment rate in Mississippi was 3.8 percent as seen in Figure 17 on page 6, an increase of 0.2 percentage points from September. Compared to one year earlier the rate in October was 0.9 percentage points lower.

Mississippi income tax withholdings (three-month moving average) fell in value by 2.5 percent in October as seen in Figure 5, the largest monthly decrease since January 2021. The value of withholdings in October compared to one year earlier was 0.2 percent lower, the first year-over-year decrease in the value of withholdings since March 2021. Over the last six months the value of income tax withholdings in Mississippi decreased 2.1 percent.

In November the value of the **ISM Index of U.S. Manufacturing Activity** fell 2.5 percent as Figure 6 indicates. Notably, the value fell below the expansion threshold of 50.0 for the first time since April 2020. Compared to one year earlier the value for the month was down 19.8 percent. The only component that increased in November was Supplier Deliveries, which actually indicates delivery times slowed. As in October, the largest decrease among all components for the month occurred in New Orders. For the eighth consecutive month, the prices paid index decreased in November. Aluminum, copper, lumber, and steel products were among the commodities that report-

ed price decreases for the month. Products that reported price increases in November included corn, diesel fuel, and electronic components.

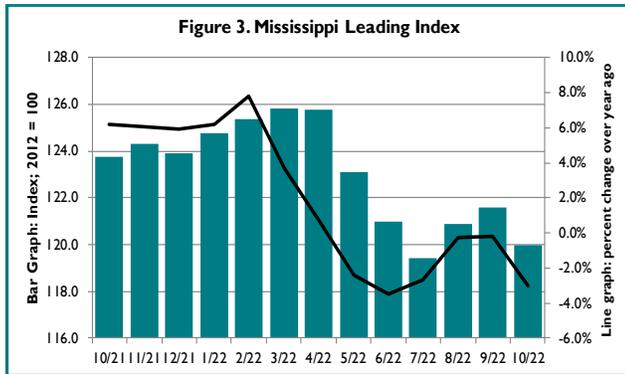
As seen in Figure 7, the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) fell 1.4 percent in October, the first decrease since June. The value for the month was down 14.9 percent compared to one year earlier. Higher gasoline prices and a decrease in the stock market early in November likely weighed on expectations. Short-term (one-year) inflation expectations decreased slightly while long-term (five-year) inflation expectations rose slightly in the most recent survey.

The value of the **Mississippi Manufacturing Employment Intensity Index** decreased 0.4 percent in October as Figure 8 indicates. The value for the month was 4.4 percent higher compared to one year earlier. Manufacturing employment in the state increased slightly in October, but this increase was more than offset by the decline in the average weekly hours of production employees in Mississippi for the month, which led to the decrease in the value of the Index.

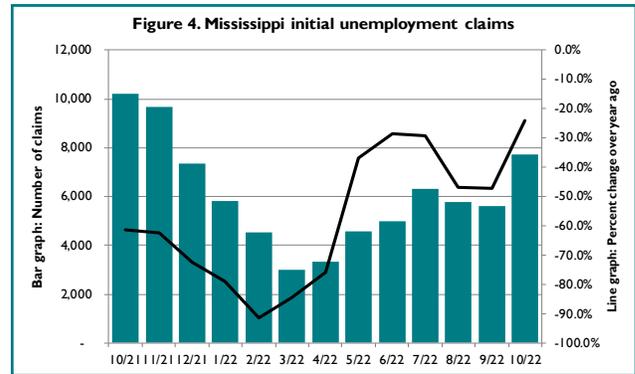
Figure 9 indicates the value of **Mississippi residential building permits** (three-month moving average) rose 4.7 percent in October, the first increase since February. The value for the month was down 25.5 percent compared to one year earlier. In October the number of units in the state increased 1.4 percent, the largest monthly increase since May. The number of units in the state in October compared to one year earlier was 8.0 percent lower. The number of privately-owned housing units authorized by building permits in the U.S. decreased 2.4 percent in October from the revised September rate. Compared to one year earlier the number of units in the U.S. in October was down 10.1 percent.

The value of **U.S. retail sales** climbed 1.3 percent in October as seen in Figure 10, the largest monthly increase since February. The value of August sales was revised up again to an increase of 0.7 percent. The value of retail sales in October was up 8.3 percent compared to one year earlier. The value of sales excluding automobiles and gasoline was 0.9 percent higher for the month. Sales at Gasoline Stations had the largest increase among all segments in October. The only segments where sales decreased for the month were Electronics and Appliances, Sporting Goods and Hobbies, and General Merchandisers.

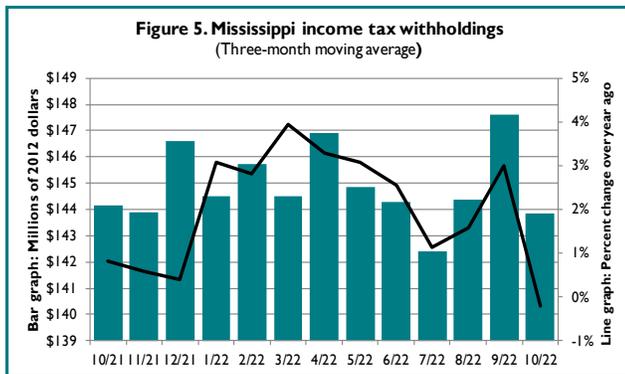
MISSISSIPPI LEADING INDEX AND COMPONENTS, IN FIGURES



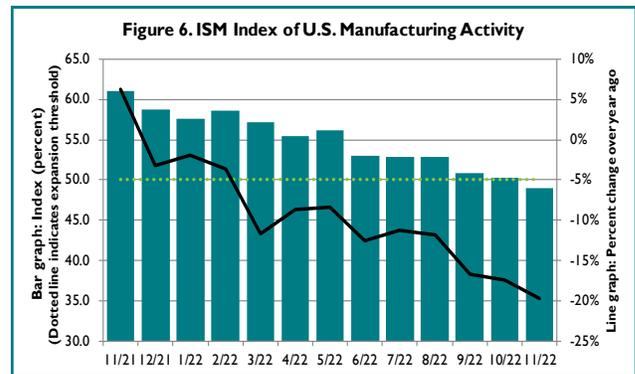
Source: University Research Center



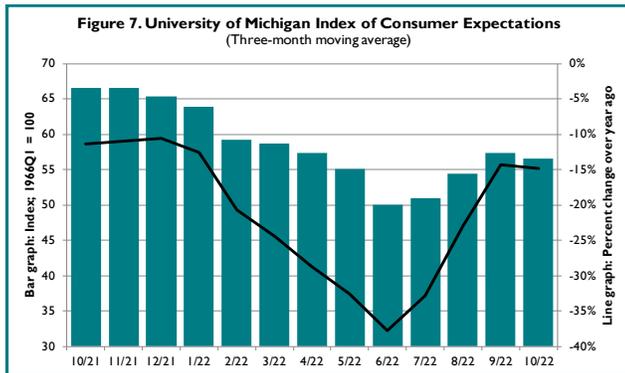
Source: U.S. Department of Labor; seasonally adjusted



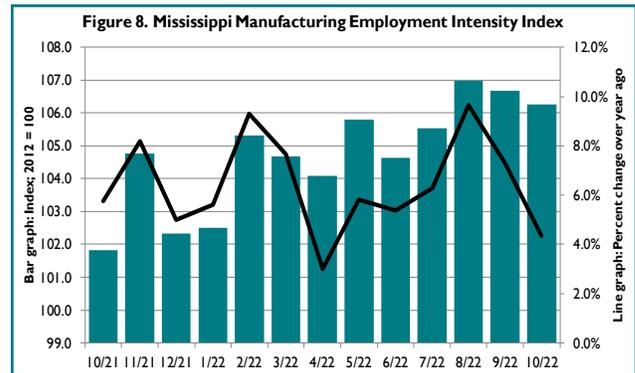
Source: Mississippi Department of Revenue; seasonally adjusted



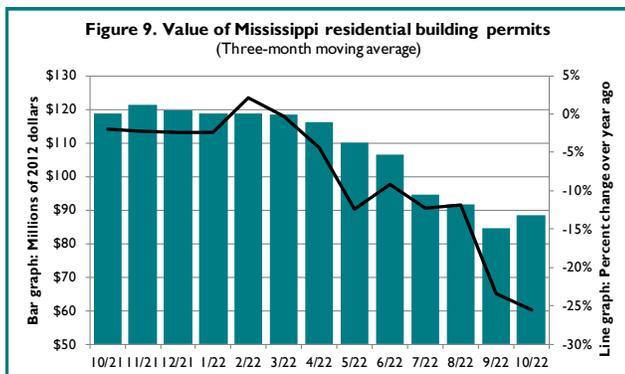
Source: Institute for Supply Management



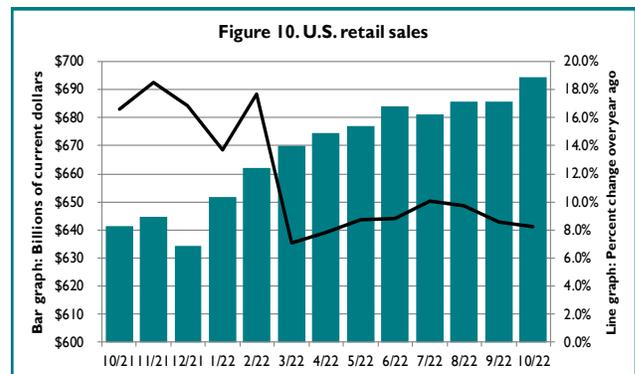
Source: Thomson Reuters/University of Michigan Surveys of Consumers



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



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



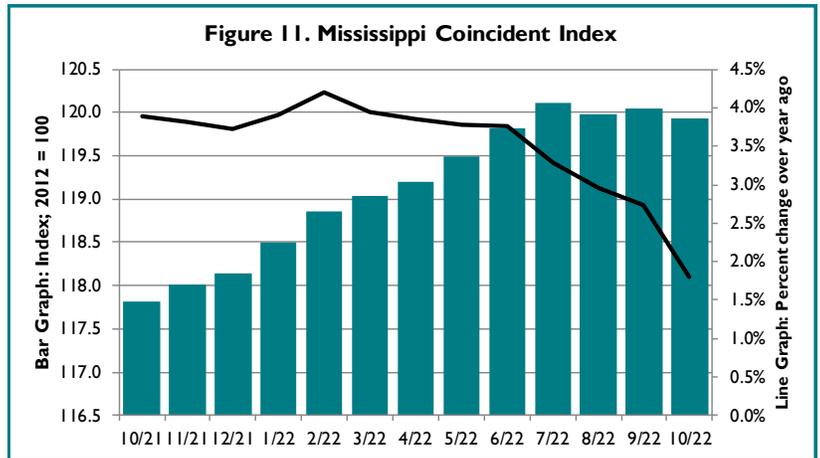
Source: U.S. Bureau of the Census

MISSISSIPPI'S BUSINESS

MISSISSIPPI COINCIDENT INDEX, OCTOBER 2022

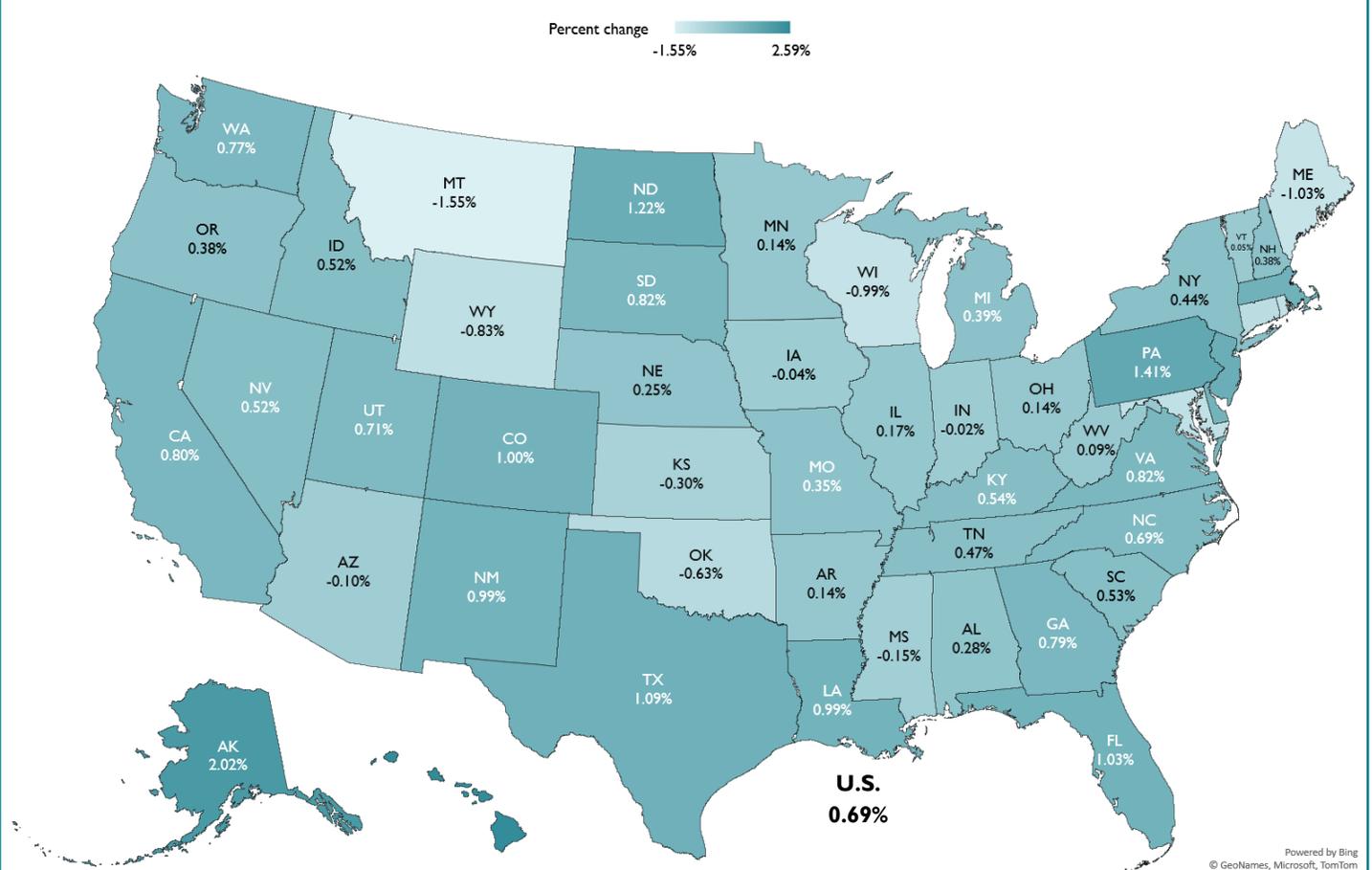
As seen in Figure 11 the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** fell 0.2 percent in October according to the Federal Reserve Bank of Philadelphia, the second decrease in the last three months. The value of the MCI was 1.8 percent higher for the month compared to one year earlier.

In October the values of the coincident indices increased in thirty-eight states compared to three months earlier. The largest increase among all states occurred in Hawaii, where the value of the coincident index rose almost 2.6 percent over the last three months. In nine states the values of coincident indices increased more than 1.0 percent in October compared to July. The values of the coincident indices increased less than 1.0 percent over the last three months in twenty-nine states. Mississippi was one of thirteen states where the values of the coincident indices decreased in October compared to July. The largest decrease occurred in Montana, where the value of the coincident index fell more than 1.5 percent over the last three months.



Source: Federal Reserve Bank of Philadelphia

Figure 12. Three-month growth in the coincident index of economic indicators, October 2022



Source: Federal Reserve Bank of Philadelphia

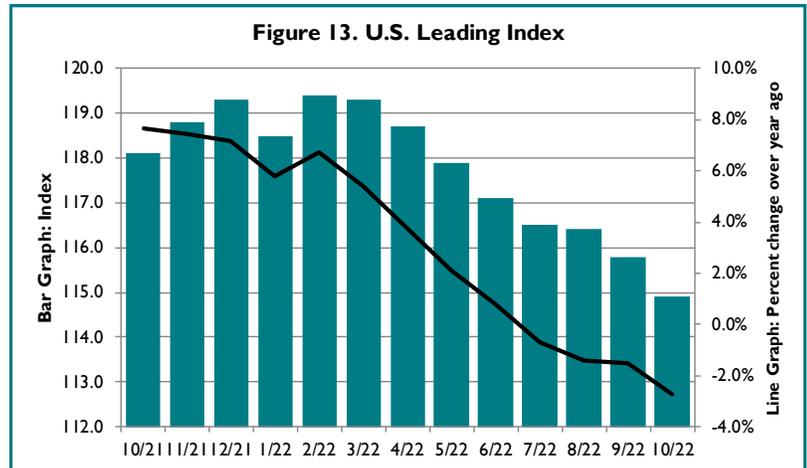
NATIONAL TRENDS

The value of the U.S. Leading Economic Index (LEI) decreased for the eighth consecutive month in October following data revisions. According to The Conference Board the value fell 0.8 percent for the month. Compared to one year earlier the value of the LEI was 2.7 percent lower as seen in Figure 13. Seven of the ten components of the LEI made negative contributions in October. The largest negative contribution came from average consumer expectations for future business conditions. The value of the LEI decreased 3.2 percent over the last six months.

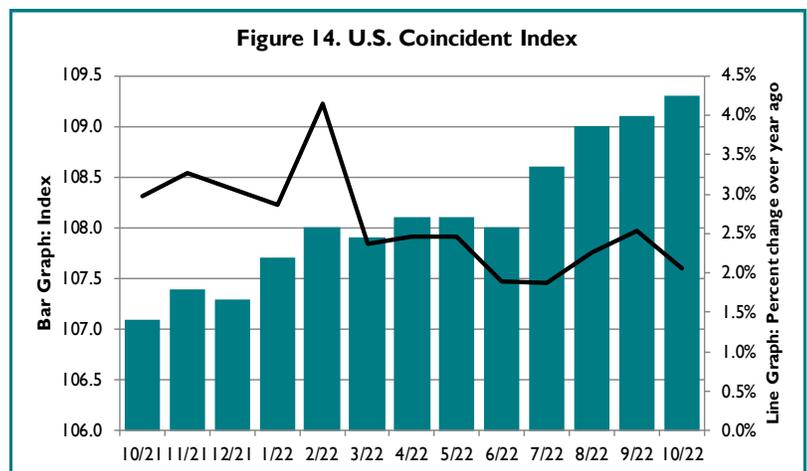
Figure 14 indicates the value of the U.S. Coincident Economic Index (CEI) rose 0.2 percent in October according to The Conference Board. Compared to one year earlier the value of the CEI for the month was up 2.1 percent. Three of the four components of the CEI made positive contributions in October, led by personal income less transfer payments. Industrial production made the one negative contribution. Over the last six months the value of the CEI rose 1.1 percent.

The value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index decreased in October for the first time since June. The value was down 0.9 percent for the month as seen in Figure 15. Compared to one year earlier the value of the Index in October was 7.0 percent lower. Most components of the Index decreased for the month and the largest decline was in the “expected credit conditions” component. Only the “plans to increase inventories” and “earnings trends” components improved in October.

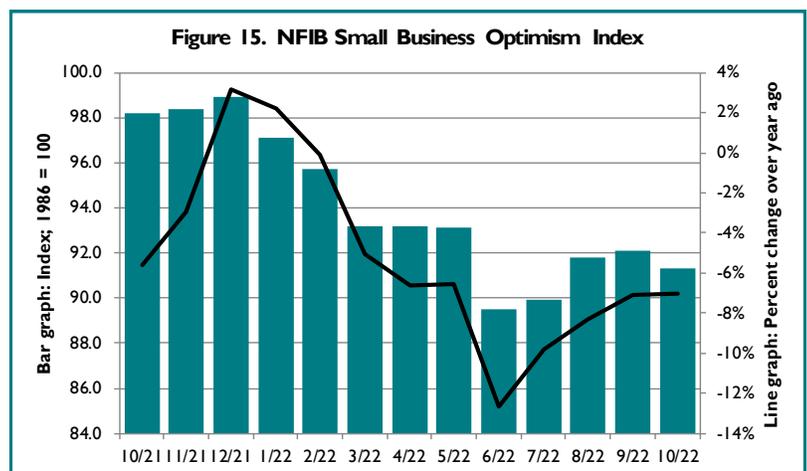
The Federal Open Market Committee (FOMC) is widely expected to raise the benchmark federal-funds rate target by 50 basis points at its December meeting. Analysts anticipate the FOMC slowing the pace of rate increases in part to assess the impact of previous increases. This expectation was reinforced by a larger than projected decrease in Consumer Price Index inflation in October. A 50 basis point increase will place the federal funds rate target in the range of 4.25 and 4.50 percent. Additional increases in early 2023 are expected to set the target in a peak range of 4.75 to 5.0 percent, although a slightly higher range remains a possibility.



Source: The Conference Board



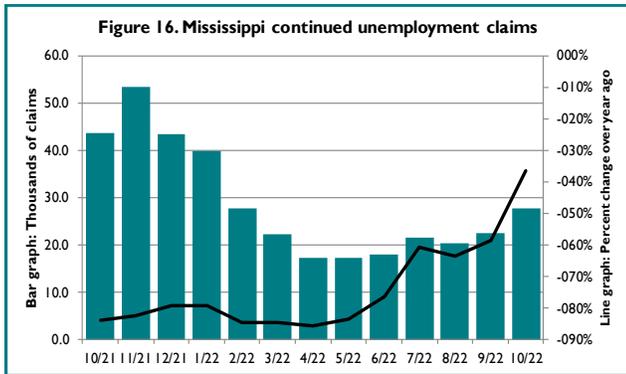
Source: The Conference Board



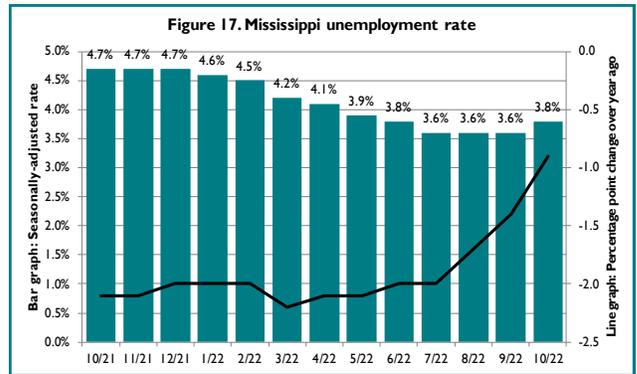
Source: National Federation of Independent Businesses

MISSISSIPPI'S BUSINESS

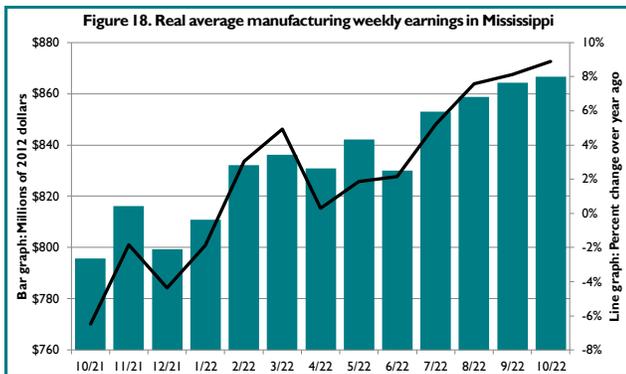
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



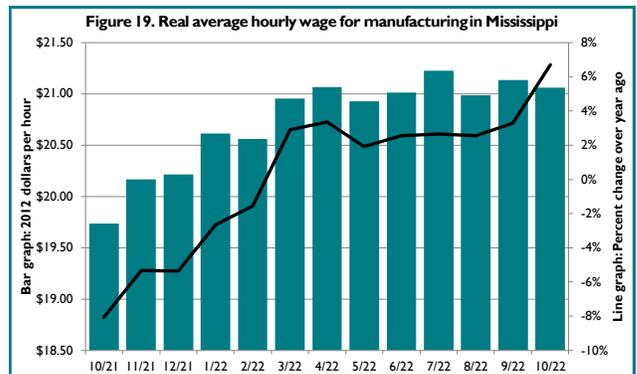
Source: U.S. Department of Labor; seasonally adjusted



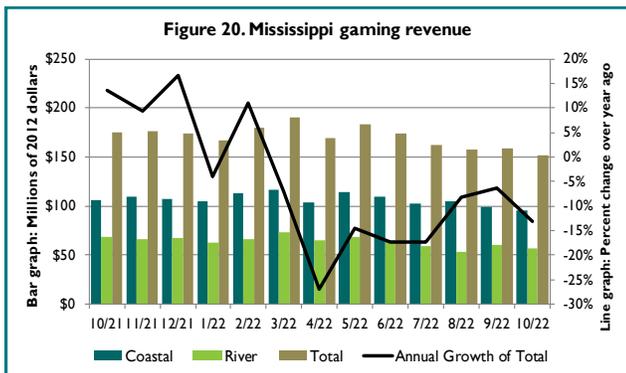
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



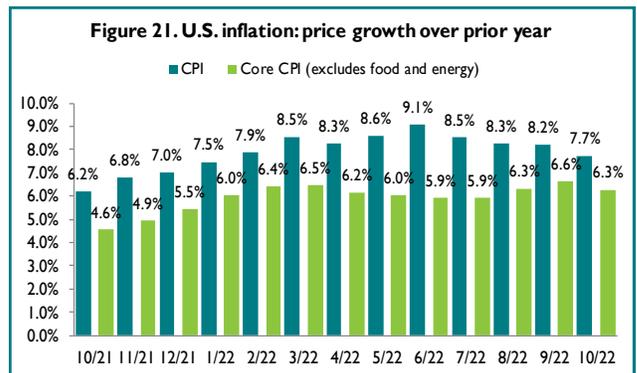
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



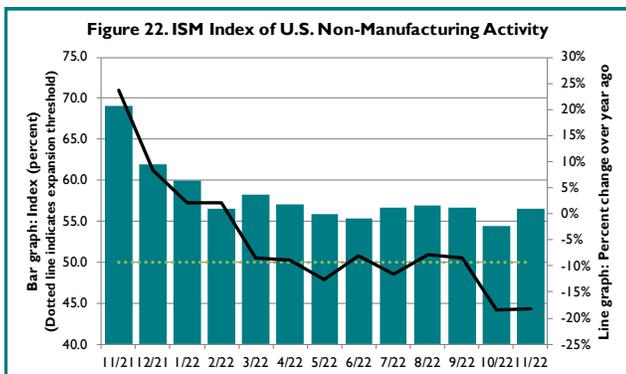
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



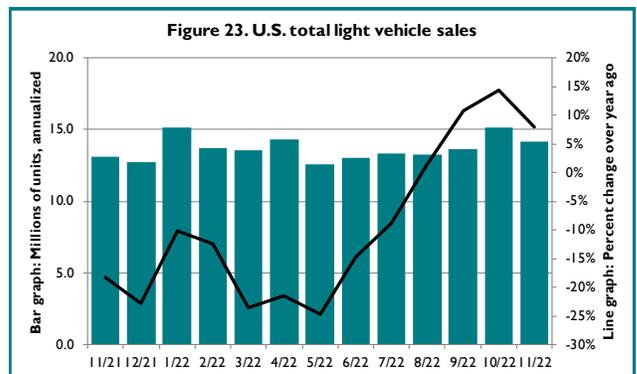
Source: Mississippi Department of Revenue; seasonally adjusted



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 2022	September 2022	October 2021	Percent change from	
				September 2022	October 2021
U.S. Leading Economic Index 2012 = 100. Source: The Conference Board	114.9	115.8	118.1	▼0.8%	▼2.7%
U.S. Coincident Economic Index 2012 = 100. Source: The Conference Board	109.3	109.1	107.1	▲0.2%	▲2.1%
Mississippi Leading Index 2012 = 100. Source: University Research Center	120.0	121.6	123.7	▼1.3%	▼3.0%
Mississippi Coincident Index 2012 = 100. Source: Federal Reserve Bank of Philadelphia	119.9	120.1	117.8	▼0.2%	▲1.8%
Mississippi initial unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	7,734	5,594	10,201	▲38.3%	▼24.2%
Value of Mississippi residential building permits Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Bureau of the Census	88.5	84.5	118.8	▲4.7%	▼25.5%
Mississippi income tax withholdings Three-month moving average; seasonally adjusted; millions of 2007 dollars. Source: Mississippi Department of Revenue	143.9	147.6	144.2	▼2.5%	▼0.2%
Mississippi Manufacturing Employment Intensity Index 2012 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	106.3	106.7	101.8	▼0.4%	▲4.4%
University of Michigan Index of Consumer Expectations Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	56.6	57.4	66.5	▼1.4%	▼14.9%
ISM Index of U.S. Manufacturing Activity Advanced one month. Source: Institute for Supply Management	49.0	50.2	61.1	▼2.4%	▼19.8%
U.S. retail sales Current dollars, in billions. Source: Bureau of the Census	694.5	685.8	641.5	▲1.3%	▲8.3%
U.S. Consumer Price Index (CPI)	298.0	296.8	276.6	▲0.4%	▲7.7%
U.S. Core CPI (excludes food and energy) 1982-84 = 100. Source: URC using data from Bureau of Labor Statistics	299.3	298.4	281.6	▲0.3%	▲6.3%
Mississippi unemployment rate Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	3.8%	3.6%	4.7%	▲0.2	▼0.9
Mississippi continued unemployment claims Seasonally adjusted. Source: U.S. Department of Labor	27,879	22,474	43,752	▲24.0%	▼36.3%
ISM Index of U.S. Non-Manufacturing Activity Advanced one month. Source: Institute for Supply Management	56.5	54.4	69.1	▲3.9%	▼18.2%
U.S. mortgage rates Percentage point change. Seasonally adjusted; 30-year conventional. Source: Federal Home Loan Mortgage Corporation	6.95%	6.25%	3.08%	▲0.70	▲3.86
Mississippi average hourly wage for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	21.06	21.13	19.74	▼0.4%	▲6.7%
Mississippi average weekly earnings for manufacturing Seasonally adjusted; 2012 dollars. Source: U.S. Bureau of Labor Statistics	866.52	864.22	795.80	▲0.3%	▲8.9%
NFIB Small Business Optimism Index 1986 = 100. Source: National Federation of Independent Businesses	91.3	92.1	98.2	▼0.9%	▼7.0%
U.S. total light vehicle sales Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	14.14	15.12	13.10	▼6.5%	▲7.9%
Gaming revenue	152.35	158.95	175.5	▼4.1%	▼13.2%
Coastal counties	95.20	98.98	106.5	▼3.8%	▼10.6%
River counties Seasonally adjusted; millions of 2012 dollars. Source: Mississippi Department of Revenue	57.16	59.96	69.0	▼4.7%	▼17.2%

Economic Indices

Components of the Mississippi Leading Index

Miscellaneous Indicators

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS

Total nonfarm employment in Mississippi decreased by 1,400 jobs in October according to the U.S. Bureau of Labor Statistics (BLS), a 0.1 percent decline. BLS revised September employment in the state down by 800 jobs. In October employment in Mississippi was higher by 100 jobs compared to one year earlier, essentially unchanged.

According to BLS total nonfarm employment increased in seven states and was essentially unchanged in forty-three states and the District of Columbia in October. California added 56,700 jobs, the most among all states, followed by Texas, which added 49,500 jobs, and Florida, which added 36,400 jobs. In Hawaii employment rose by 0.8 percent in October, the largest percentage increase in employment among all states.

Over the past twelve months as of October employment increased in forty-six states and was essentially unchanged in four states and the District of Columbia according to BLS. The largest increase in employment over the previous year occurred in California, which added 695,500 jobs, closely followed by Texas, which added 694,200 jobs, and Florida, which added 457,400 jobs. The largest percentage increase among all states over the past twelve months occurred in Texas, where employment

rose 5.4 percent. Florida had the next highest percentage increase of 5.0 percent, followed by the 4.5 percent increase in Oregon.

The largest increase in employment among all sectors in Mississippi in October occurred in Construction, which added 900 jobs. Construction also had the largest percentage increase in employment among all sectors in the state in October of 1.9 percent. The Trade, Transportation, and Utilities sector lost 1,900 jobs in October, the largest decrease in employment among all sectors in the state. The largest percentage decrease in employment for the month among all sectors in Mississippi was the 3.4 percent decline in employment in Arts and Entertainment, a loss of 300 jobs.

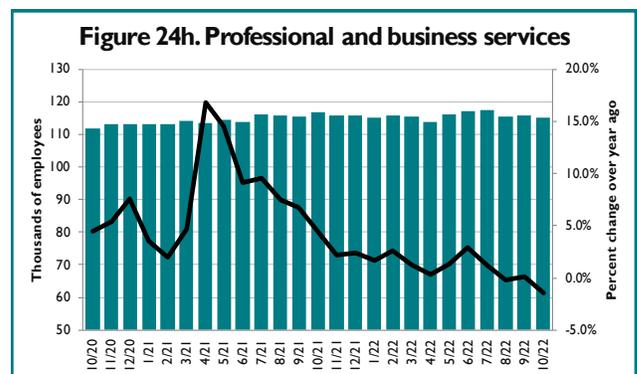
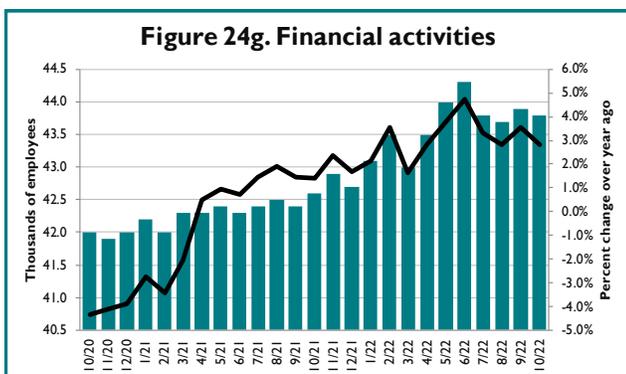
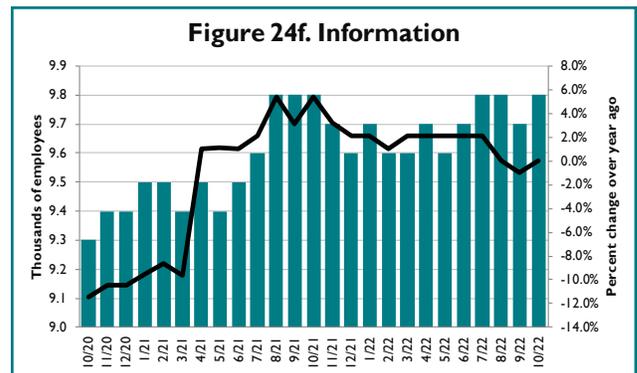
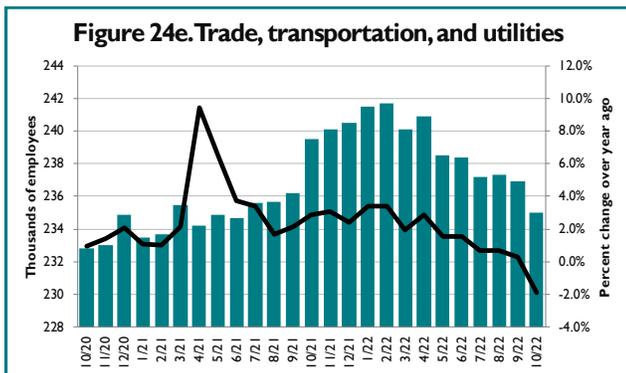
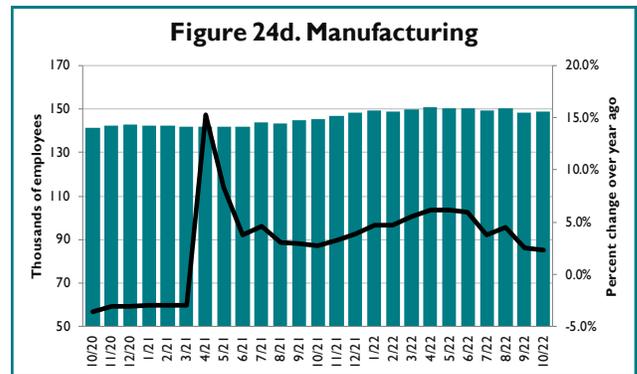
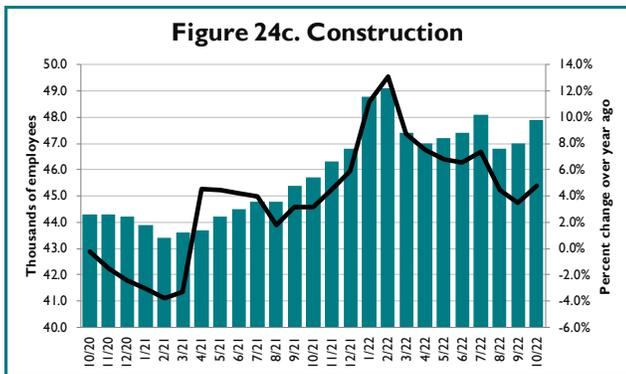
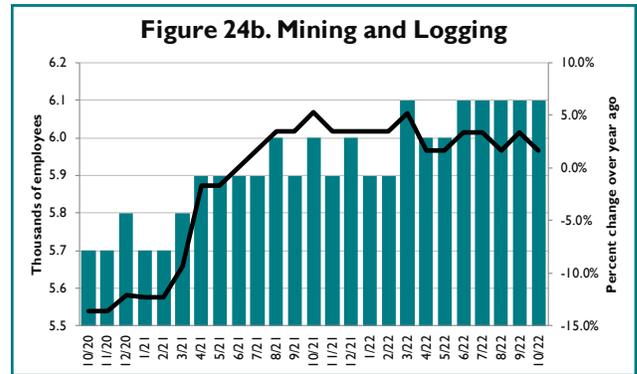
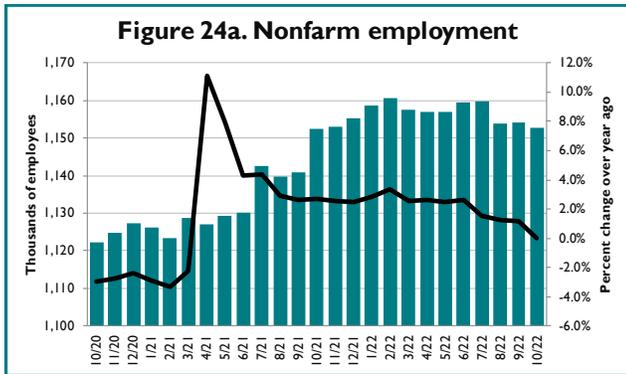
The Manufacturing sector added 3,400 jobs over the past twelve months as of October, the most among all sectors in the state. The largest percentage increase in employment over the past twelve months was the 4.8 percent gain in Construction employment. The sector that lost the most jobs in the past year as of October was Trade, Transportation, and Utilities, which lost 4,500 jobs. The largest percentage decrease in employment over the past twelve months among all sectors in the state was the 8.7 percent decline in Arts and Entertainment.

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

	Relative share of total ^a	October 2022	September 2022	October 2021	Change from September 2022		Change from October 2021	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,152,700	1,154,100	1,152,600	▼1,400	▼0.1%	▲100	◀▶0.0%
Mining and Logging	0.5%	6,100	6,100	6,000	◀▶0	◀▶0.0%	▲100	▲1.7%
Construction	4.1%	47,900	47,000	45,700	▲900	▲1.9%	▲2,200	▲4.8%
Manufacturing	12.9%	148,800	148,600	145,400	▲200	▲0.1%	▲3,400	▲2.3%
Trade, Transportation & Utilities	20.7%	235,000	236,900	239,500	▼1,900	▼0.8%	▼4,500	▼1.9%
Retail Trade	11.8%	133,500	134,000	136,600	▼500	▼0.4%	▼3,100	▼2.3%
Information	0.8%	9,800	9,700	9,800	▲100	▲1.0%	◀▶0	◀▶0.0%
Financial Activities	3.8%	43,800	43,900	42,600	▼100	▼0.2%	▲1,200	▲2.8%
Services	36.9%	427,300	427,700	427,600	▼400	▼0.1%	▼300	▼0.1%
Professional & Business Services	10.0%	115,200	115,700	116,900	▼500	▼0.4%	▼1,700	▼1.5%
Educational Services	1.1%	12,900	12,800	12,400	▲100	▲0.8%	▲500	▲4.0%
Health Care and Social Assistance	11.1%	129,400	128,700	128,200	▲700	▲0.5%	▲1,200	▲0.9%
Arts and Entertainment	0.8%	8,400	8,700	9,200	▼300	▼3.4%	▼800	▼8.7%
Accommodation and Food Services	10.6%	123,300	123,800	121,800	▼500	▼0.4%	▲1,500	▲1.2%
Other Services	3.3%	38,100	38,000	39,100	▲100	▲0.3%	▼1,000	▼2.6%
Government	20.3%	234,000	234,200	236,000	▼200	▼0.1%	▼2,000	▼0.8%

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

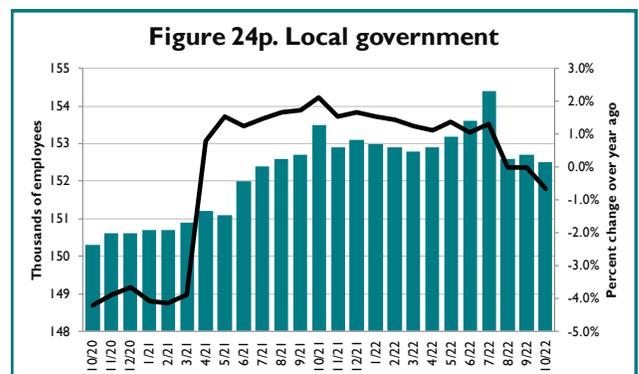
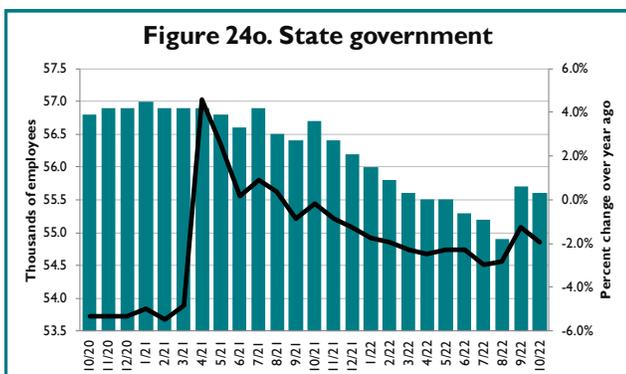
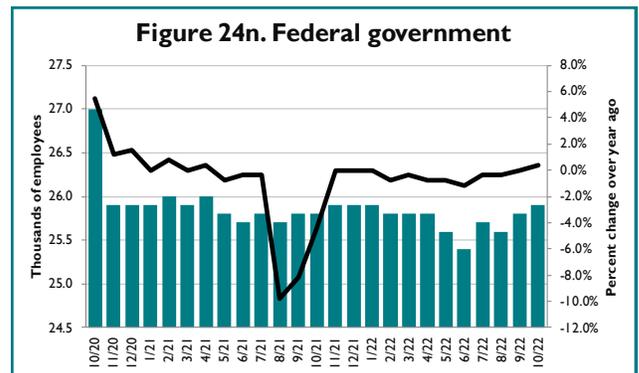
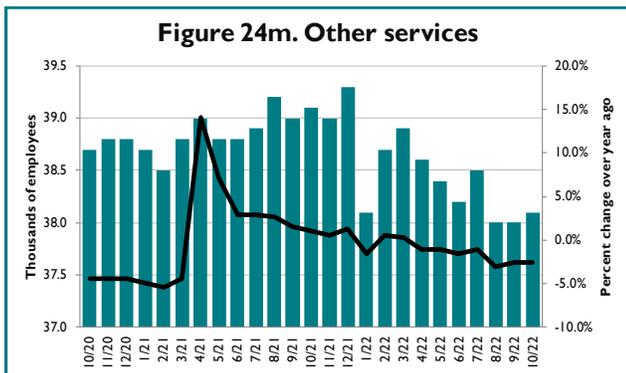
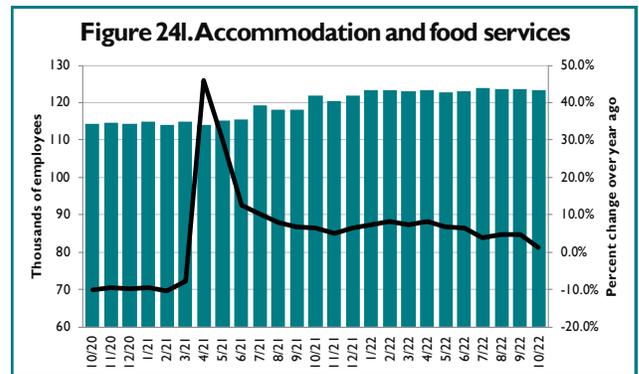
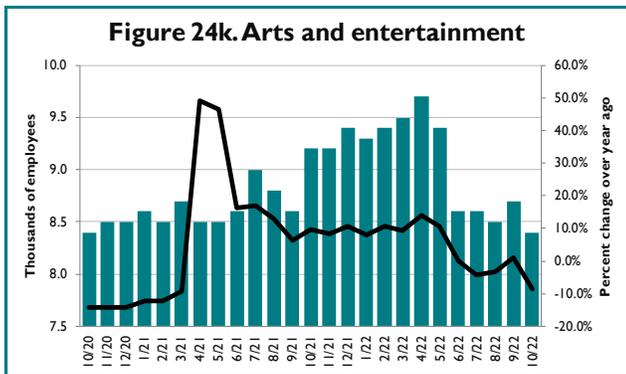
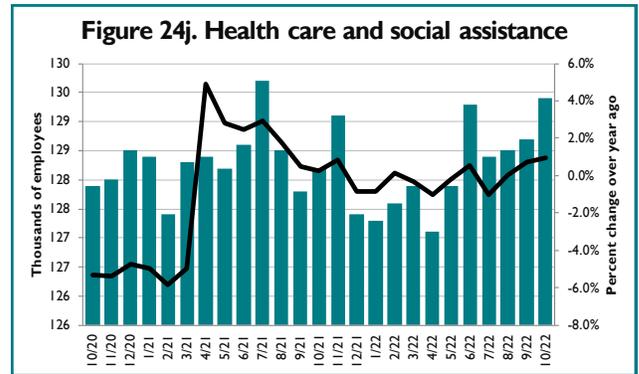
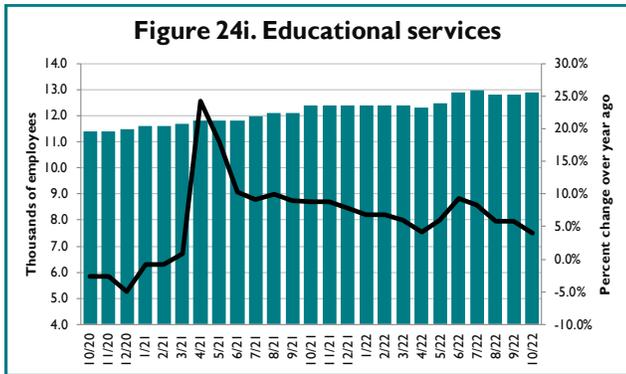
MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



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

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



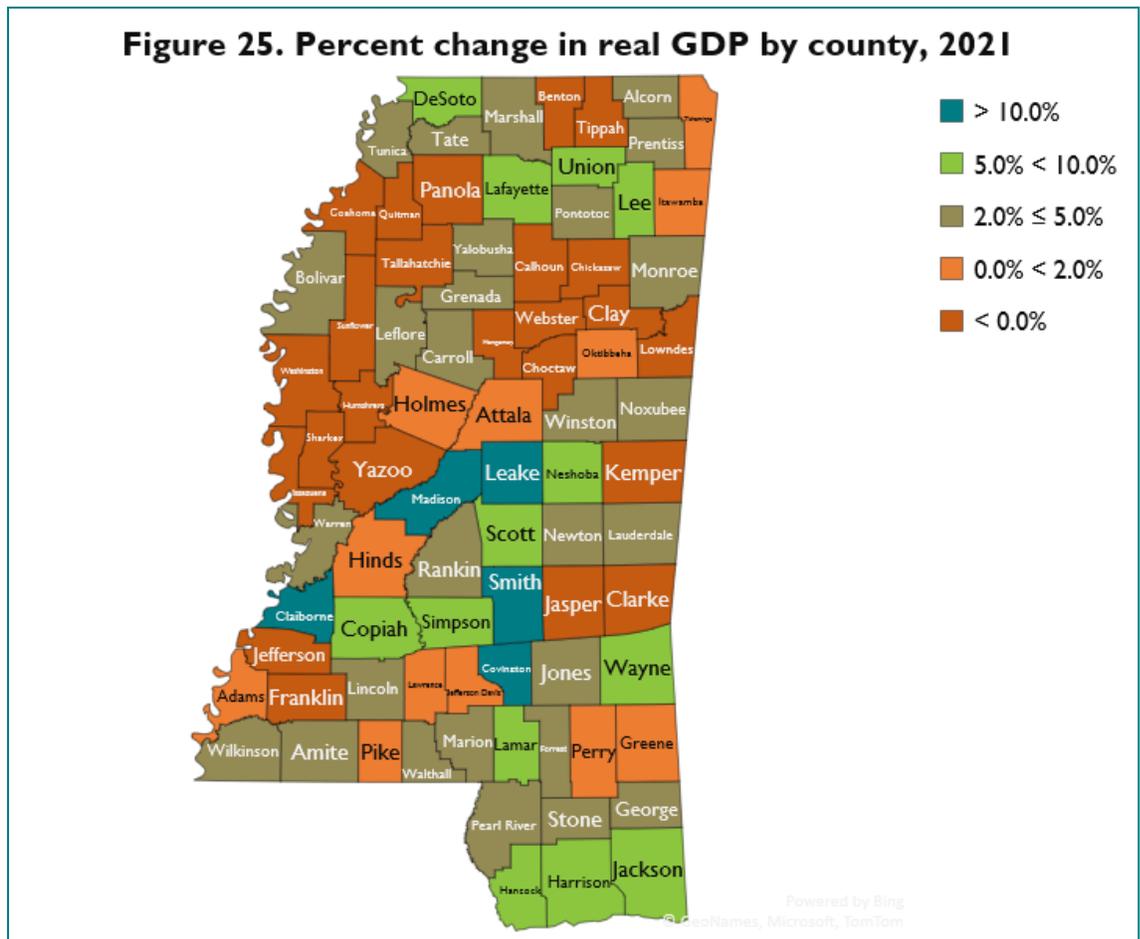
Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

CHANGE IN REAL GDP BY COUNTY IN MISSISSIPPI FOR 2021

Annual estimates of real gross domestic product (GDP) by county for 2021 were released by the U.S. Bureau of Economic Analysis (BEA) this month. The release marked the fourth consecutive year the agency computed county-level estimates of real GDP and included revised measures of real GDP for all 3,112 U.S. counties from 2017 through 2020. Real GDP increased in 2,404 counties, decreased in 691 counties, and was unchanged in 17 counties in 2021 according to BEA. In Coke County, Texas, real GDP expanded by 81.8 percent, the largest percentage increase among all U.S. counties. Real GDP in Chouteau County, Montana, contracted by 34.8 percent in 2021, the largest percentage decrease among all U.S. counties. As in previous years, Los Angeles County, California, had the largest real GDP among all counties of \$711.9 billion, while Petroleum County, Montana, had the smallest real GDP among all counties of \$11.7 million.

Figure 25 indicates real GDP expanded in 58 counties in Mississippi in 2021 and contracted in 24 counties. Real GDP expanded in 19 more counties in Mississippi in 2021 than in 2020. In five counties real GDP expanded by more than 10.0 percent in 2021. The

Figure 25. Percent change in real GDP by county, 2021



largest increase in real GDP among all counties in the state for the year was the 19.7 percent increase in Claiborne County. Notably, in 2020 Claiborne County experienced the largest decrease in real GDP among all counties in the state for the year of -21.5 percent. In 2021 real GDP in Issaquena County decreased 27.0 percent, the largest percentage decrease among all counties in the state. Notably, in 2020 real GDP in Issaquena County expanded 30.0 percent, the largest percentage increase among all counties in the state. Real GDP for Mississippi expanded 3.8 percent in 2021 according to BEA, the largest annual percentage increase in the state's real GDP since 2003.

Hinds County had the largest real GDP among all counties in Mississippi in 2021 of almost \$10.7 billion, followed by Harrison County with \$8.1 billion and Jackson County with \$7.6 billion. BEA reported real GDP increased in each of these three largest counties in 2021, although the increase in Hinds County was only 0.2 percent. The smallest real

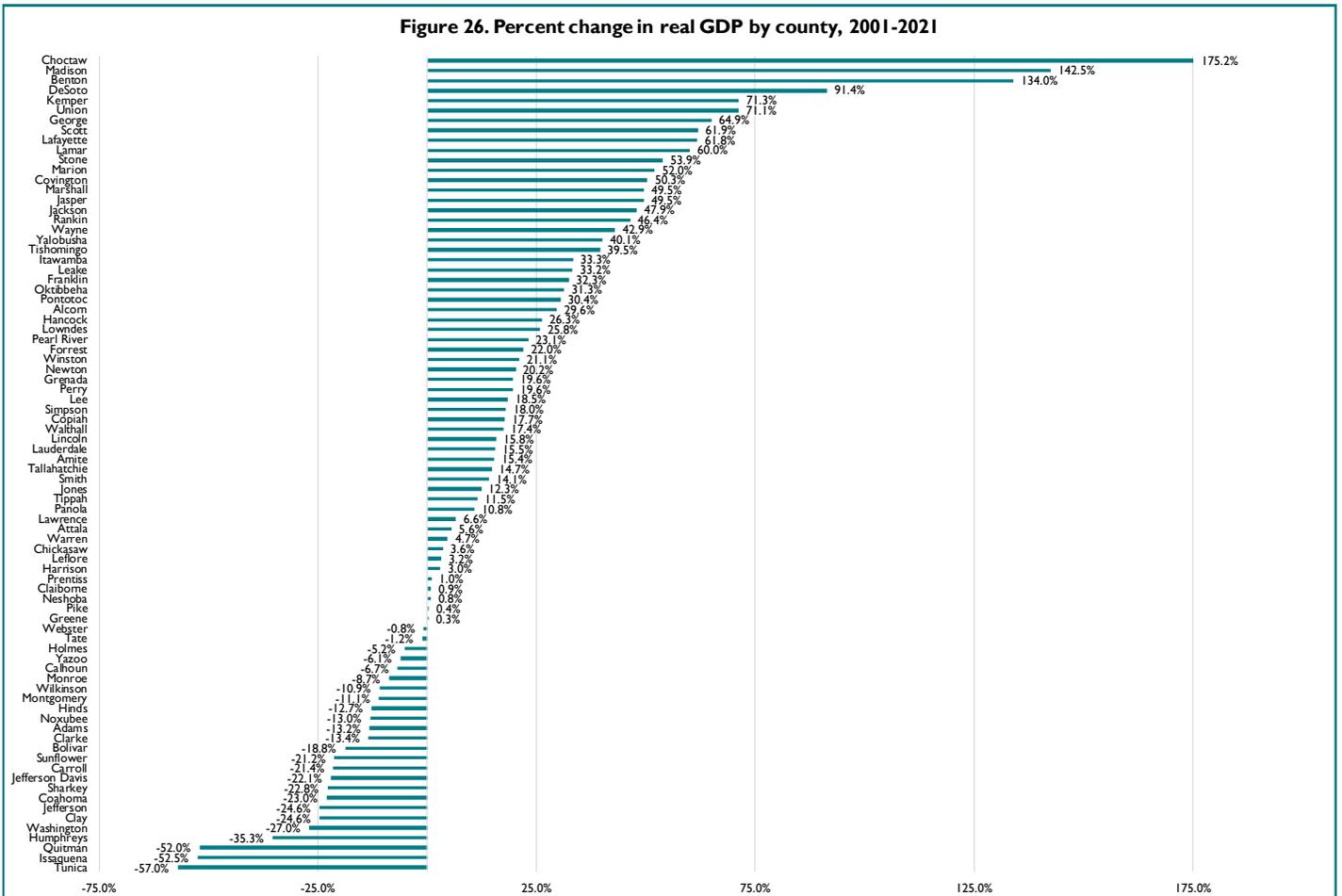
MISSISSIPPI'S BUSINESS

CHANGE IN REAL GDP BY COUNTY IN MISSISSIPPI FOR 2021, CONTINUED

GDP among all counties in Mississippi in 2021 was the \$17.8 million of Issaquena County, followed by the \$87.3 million in Quitman County and the \$91.7 million in Sharkey County. According to BEA real GDP decreased in each of these three counties in 2021.

The graph in Figure 26 depicts the change in real GDP for each county in the state from 2001 to 2021, the entirety of the period covered by BEA's release. Between 2001 and 2021 real GDP expanded in 57 counties in Mississippi and contracted in 25 counties according to BEA. These contractions mean the economies of these counties were smaller in 2021 than in 2001 as measured by the value of their economic output. Real GDP expanded by a total of less than 20.0 percent from 2001 to 2021 in 50 counties and the state as a whole, which represents an average growth rate of less than 1.0 percent per year over the period.

The largest increase in real GDP among all counties in the state from 2001 to 2021 occurred in Choctaw County. Its economy more than doubled in size over the period, as did the economies of Madison County and Benton County. The outsized increases in real GDP in percentage terms occurred in some counties in part because their economies are relatively small. The largest decreases in real GDP from 2001 to 2021 occurred in Tunica, Quitman, Humphreys, and Issaquena Counties. The economies of each of these counties contracted more than 50.0 percent over the period. In addition, almost every county in the Delta region experienced a decrease in real GDP over the 2001 to 2021 period.



Source: U.S. Bureau of Economic Analysis.