Growth in Real GDP in US

September 2019
MS University Research Center, IHL
Average Monthly Job gains for 2018 was 223K; up from 2017 (179K).
Average monthly gain for 2019 is 158K.
Institute For Supply Management Indices

An Index above 50 indicates expansion, below 50 a contraction

Both series are declining. MFG is in a contraction phase
US Consumer Sentiment

Sentiment has weakened significantly in the latest survey.

Sentiment returned to the pre-recession level in 2015 and has remained strong the past few years.
After historically high levels, Small Businesses confidence has weakened in 2019.
On average retail sales appear weak in 2019. But this was mainly due to turbulent start of the year. Growth has improved in the past several months.
US Light Vehicle Sales

Average sales for 2013 -- 15.5 million units
Average sales for 2014 -- 16.5 million units
Average Sales for 2015 -- 17.4 million units
Average Sales for 2016 -- 17.5 million units
Average Sales for 2017 -- 17.1 million units
Average Sales for 2018 -- 17.2 million units
Average Sales for 2019 -- 16.9 million units
Year-Over-Year Growth in Real Personal Income Less Transfer Payments: United States
by Quarter

Declines are characteristic of recessions. The series is well into positive territory despite declining since 2018.

Gray Areas Represent National Recessions
Improved but not back to pre-recession levels.
Tightening labor market will drive growth over the next few years.
Growth In Real US GDP
Historical and IHS Markit Baseline Projections

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.9%</td>
<td>-0.1%</td>
<td>3.5%</td>
<td>2.8%</td>
<td>4.0%</td>
<td>3.8%</td>
<td>4.4%</td>
<td>4.5%</td>
<td>4.8%</td>
<td>4.1%</td>
<td>1.0%</td>
<td>1.7%</td>
<td>2.9%</td>
<td>3.8%</td>
<td>3.5%</td>
<td>2.9%</td>
<td>1.9%</td>
<td>2.9%</td>
<td>2.5%</td>
<td>-2.5%</td>
<td>-2.5%</td>
<td>2.6%</td>
<td>1.6%</td>
<td>2.2%</td>
<td>2.5%</td>
<td>2.9%</td>
<td>2.4%</td>
<td>2.9%</td>
<td>2.3%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>
MS Real GDP

Annual Growth:
- 2008: 4.2%
- 2009: -4.7%
- 2010: 0.5%
- 2011: -1.3%
- 2012: 0.9%
- 2013: 0.0%
- 2014: -2.0%
- 2015: 0.4%
- 2016: 0.3%
- 2017: 0.5%
- 2018: 1.0%

Annualized Quarterly Growth

Very little upward momentum since the recession.

MS has grown for five consecutive quarters.
Jobs Gained (Lost) By County
2017-2018
The Mississippi Index of Leading Indicators reflects economic conditions expected for the coming months. The index is constructed by the University Research Center and indexed to 2004. There are 7 components of the Index: MS Initial Unemployment Claims; MS Income Tax Withholdings; MS Value of Residential Building Permits; MS MFG Employment Intensity Index; ISM Index of US MFG Activity; US Consumer Expectations Index and US Retail Sales.
The Mississippi Index of Leading Indicators reflects economic conditions expected for the coming months. The index is constructed by the University Research Center and indexed to 2004. There are 7 components of the Index: MS Initial Unemployment Claims; MS Income Tax Withholdings; MS Value of Residential Building Permits; MS MFG Employment Intensity Index; ISM Index of US MFG Activity; US Consumer Expectations Index and US Retail Sales.

The MSLI is showing a downward trend.
The unemployment rate is at an historically low level. 4.8% in August.
Low levels of claims suggest few lay offs.
Nonfarm Employment in MS

Pre-Recession Peak Employment Level

Thousands

Jan-14  Jan-15  Jan-16  Jan-17  Jan-18  Jan-19

September 2019  MS University Research Center, IHL
Where are the Jobs?
Mississippi added an average 13,870 jobs in 2019 over 2018 through July

- Leisure and Hospitality
- Professional and Business Services
- Trade, Transportation & Utilities
- Manufacturing
- Education and Health Services
- Government
- Financial Activities
- Information
- Mining and Logging
- Other Services
- Construction

The average employment for the January to May period is compared for both years.
After strong growth in the 90s, employment has generally trended downward. The notable exceptions are the period following Katrina & during large projects of 2013-2014.

Construction began the year very weak but has shown improvement since.
MS Residential Building Permits

Number of Units

Between 2007 and 2011 there was a 73% decline in activity. Despite 6 years of gain, we remain low historically.

Graphs may understate building activity as permits are not required in the county.
Although somewhat volatile, MFG has generally improved in recent years. MFG employment generally declined after NAFTA. Since 2010 the state has experienced modest gains.
MS MFG Workweek Length

Annual Average


3-Month Moving Average

Seasonally Adjusted

Workweek length has been especially strong in recent years.

Workweek slowed considerably in 2019

September 2019

MS University Research Center, IHL
Two Measures of Income Growth by Qtr

Y/Y Growth by Qtr, Adjusted for Inflation

Withholdings, DOR
Wage Disbursements, BEA
MS Gaming Revenue

Line Graph: Annual % CHG

Bar Graph: Millions of Dollars

Coast  River  Total  % CHG Total

September 2019

MS University Research Center, IHL
Real sales tax transfers remain relatively slow due to slow income growth. We have seen some modest improvement in the last two quarters. For the first half of 2019 real retail sales are up 1.0%. For CY 2018 the growth was only 0.1%.
Growth in CY 2018 was -2.3%. The declining trend continued in the 1st quarter of 2019 but we had strong growth in the 2nd. July and August was almost flat in real terms, suggesting the spike in the second quarter was an anomaly for this volatile series.
Growth In Real MS GDP
Historical and University Research Center Projections

- Growth in Real MS GDP from 1998 to 2020 is presented.
- The graph shows both historical data and projections.
- The years from 1998 to 2020 are listed on the x-axis.
- The percentage growth rates are shown on the y-axis, ranging from -6.0% to 5.0%.
- The data includes both positive and negative growth rates.
- The graph highlights the fluctuations in growth rates over the years.

September 2019
MS University Research Center, IHL