



Data Digest: Alabama

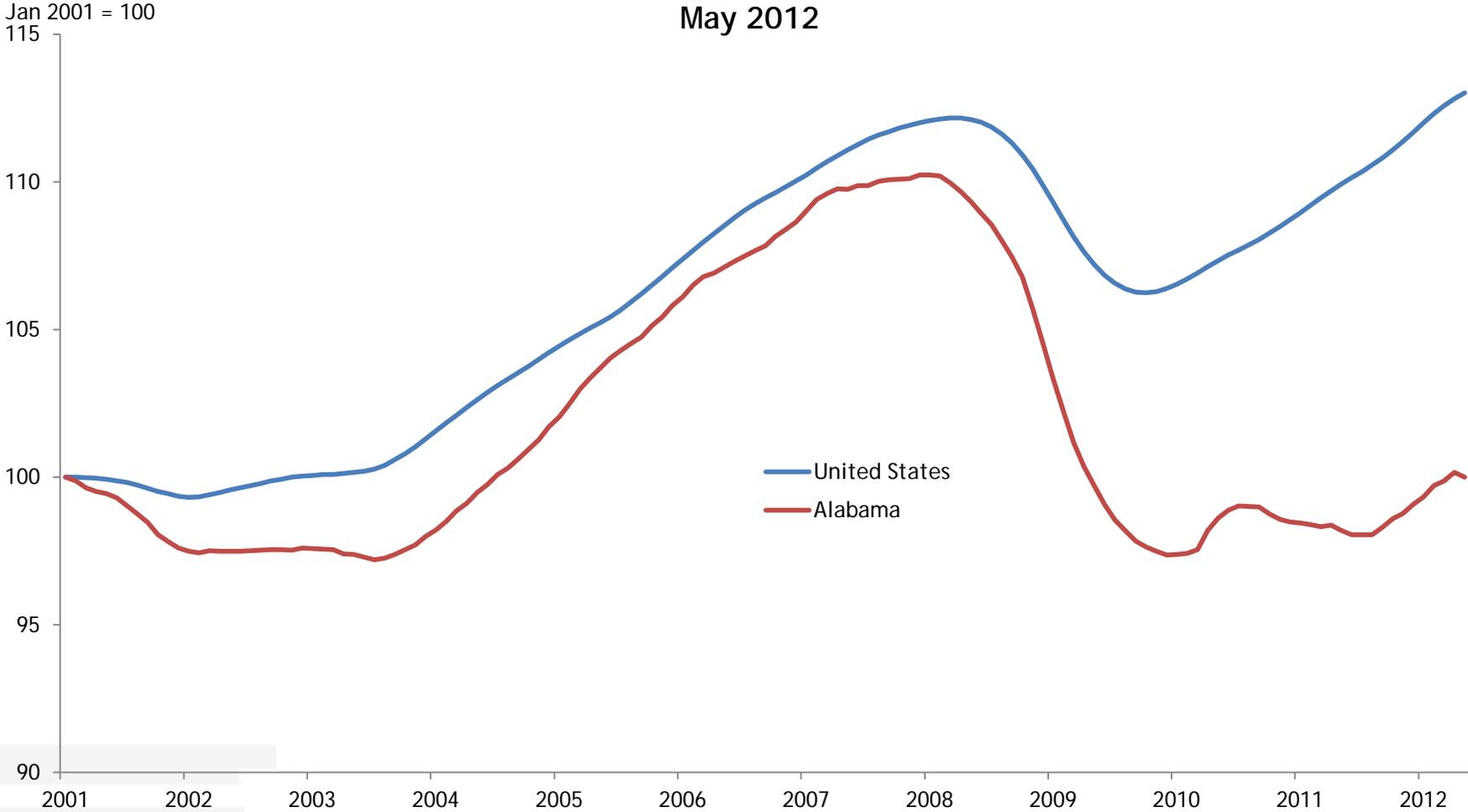
July 2012



Broad indicators of economic activity for Alabama declined in May, even as they continued to improve steadily for the United States.

[About the Coincident Economic Indicator](#)

Coincident Economic Indicator May 2012

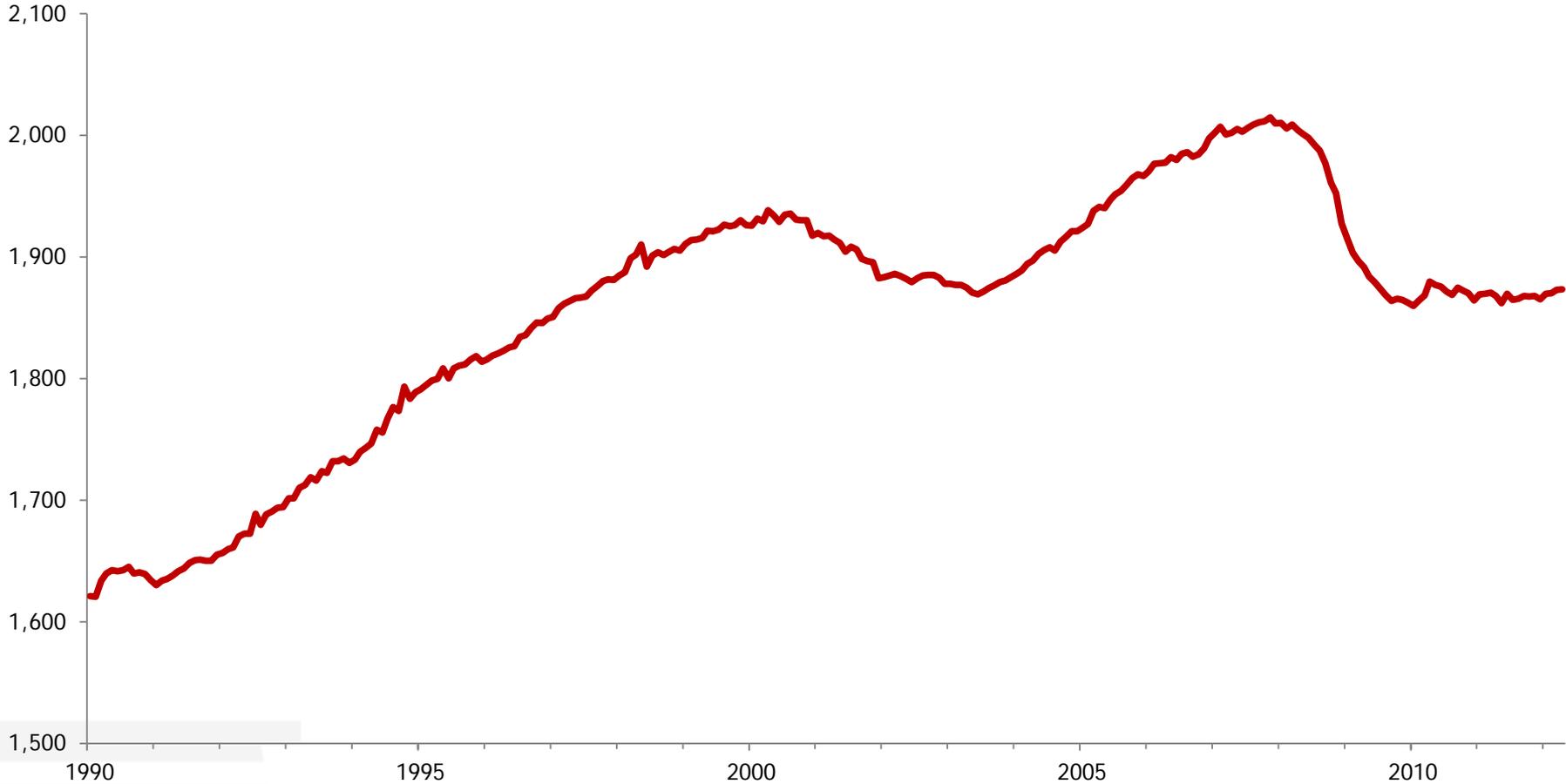


Source: Federal Reserve Bank of Philadelphia

Total employment in Alabama has stabilized near recession lows and job gains remain modest.

Alabama Payroll Employment May 2012

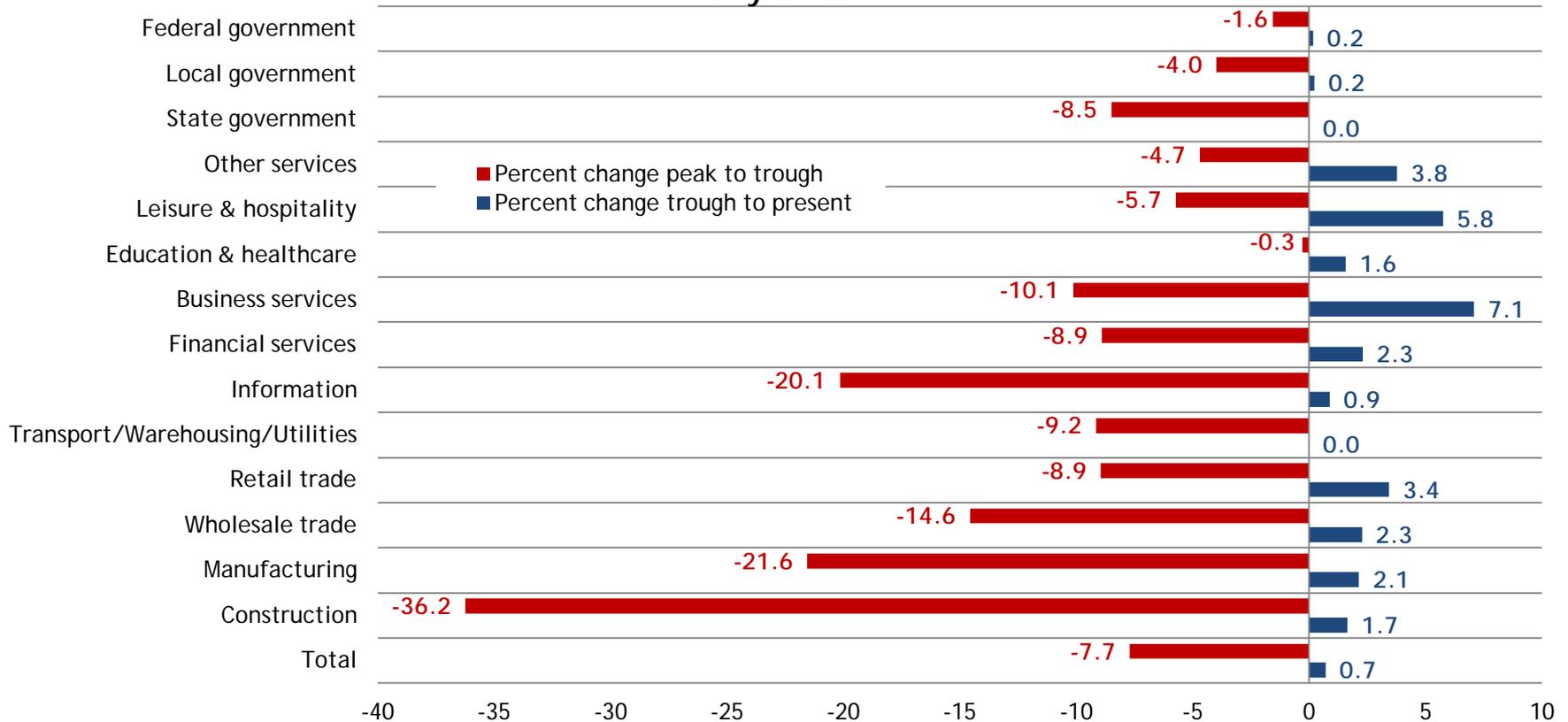
Thousands,
seasonally adjusted



Source: U.S. Bureau of Labor Statistics, Haver Analytics

All industries lost jobs during the downturn. The construction industry was the hardest hit, losing more than 36 percent. Many sectors have seen job gains since their troughs, with business services experiencing the largest increase. State government and transportation/warehousing/utilities continue to lose jobs.

Employment Loss and Gain by Industry: Alabama May 2012



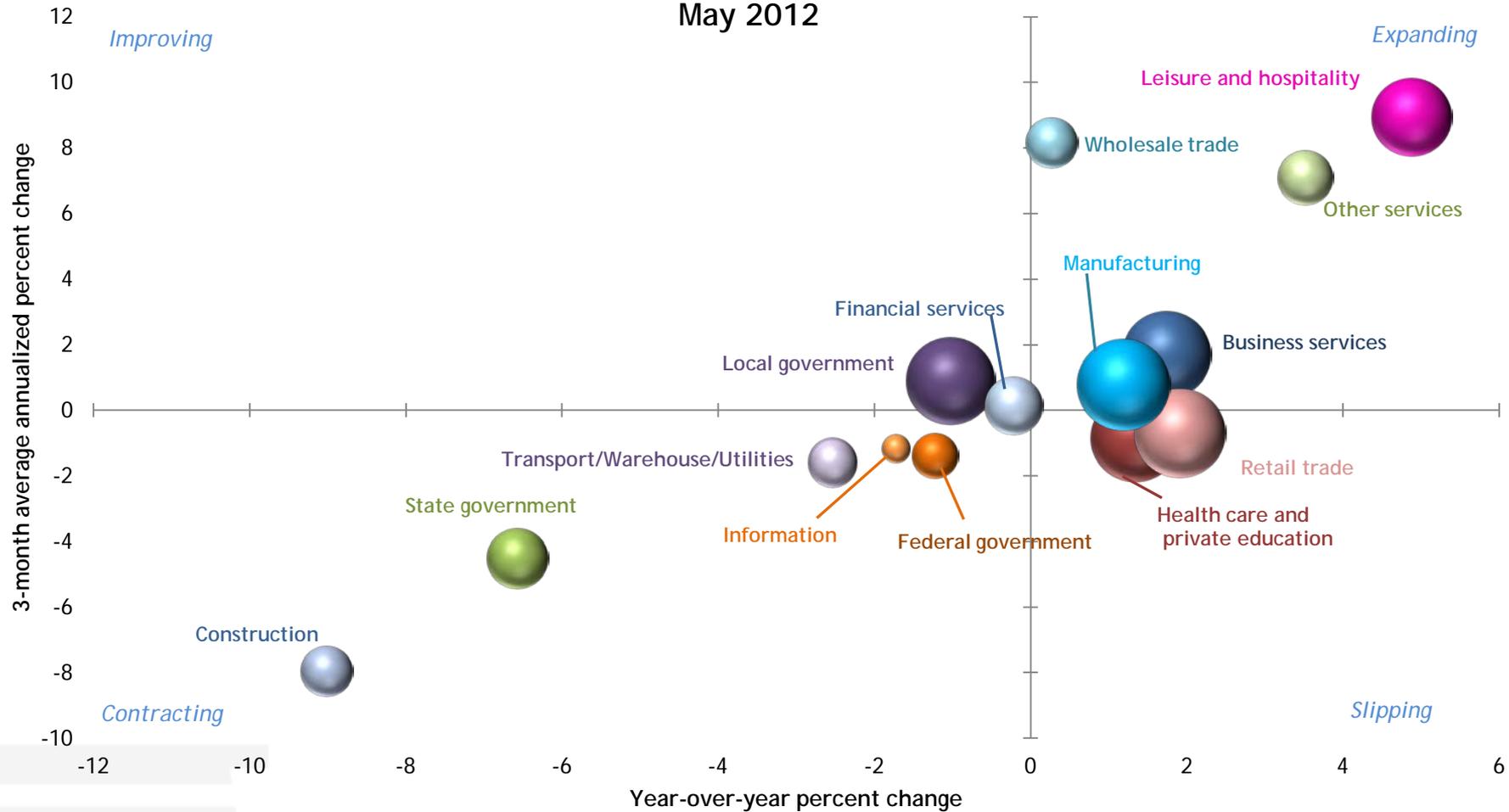
Note: A reading of 0.0 in the "trough to present" measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the "peak to trough" measure indicates that employment continues to increase in these industries; in this instance "trough to present" is the percent change from January 2007 to present.

Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment momentum in leisure and hospitality, business services, manufacturing, wholesale trade, and other services expanded in May. Retail trade and health care and private education slipped, while local government and financial services momentum improved.

[About Employment Momentum](#)

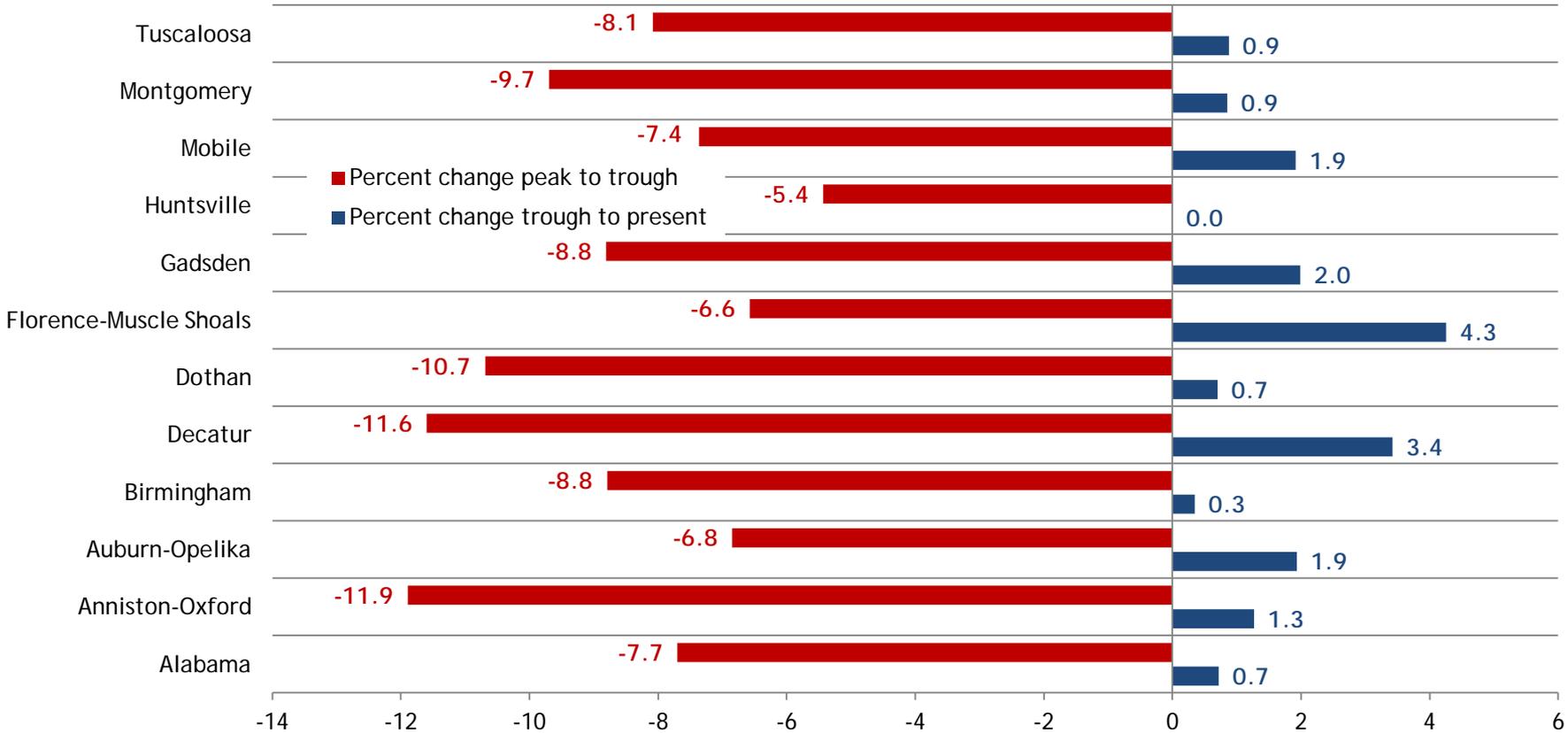
Employment Momentum by Industry: Alabama May 2012



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Job losses occurred throughout the state during the downturn; Dothan, Decatur, and Anniston-Oxford lost more than 10 percent of their jobs. All metro areas except Huntsville have regained jobs since their trough. All metro areas except Huntsville have regained jobs since their trough.

Employment Loss and Gain by Metro Area: Alabama May 2012

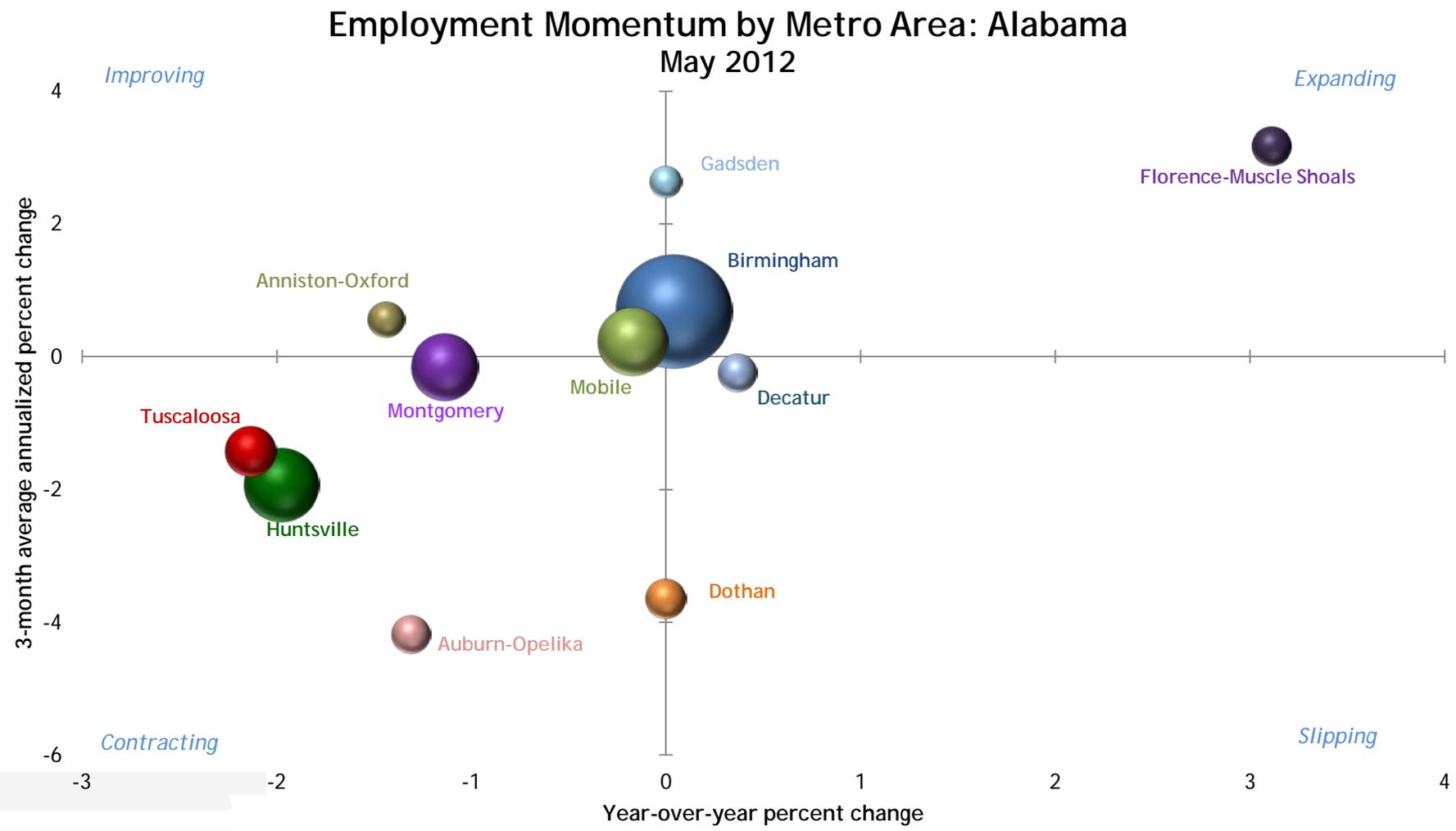


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these metro areas. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these metro areas; in this instance “trough to present” is the percent change from January 2007 to present.

Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment momentum in Florence-Muscle Shoals continued to expand in May, while Anniston-Oxford and Mobile experienced improving momentum. Momentum in Tuscaloosa, Huntsville, Montgomery, and Auburn-Opelika contracted.

[About Employment Momentum](#)

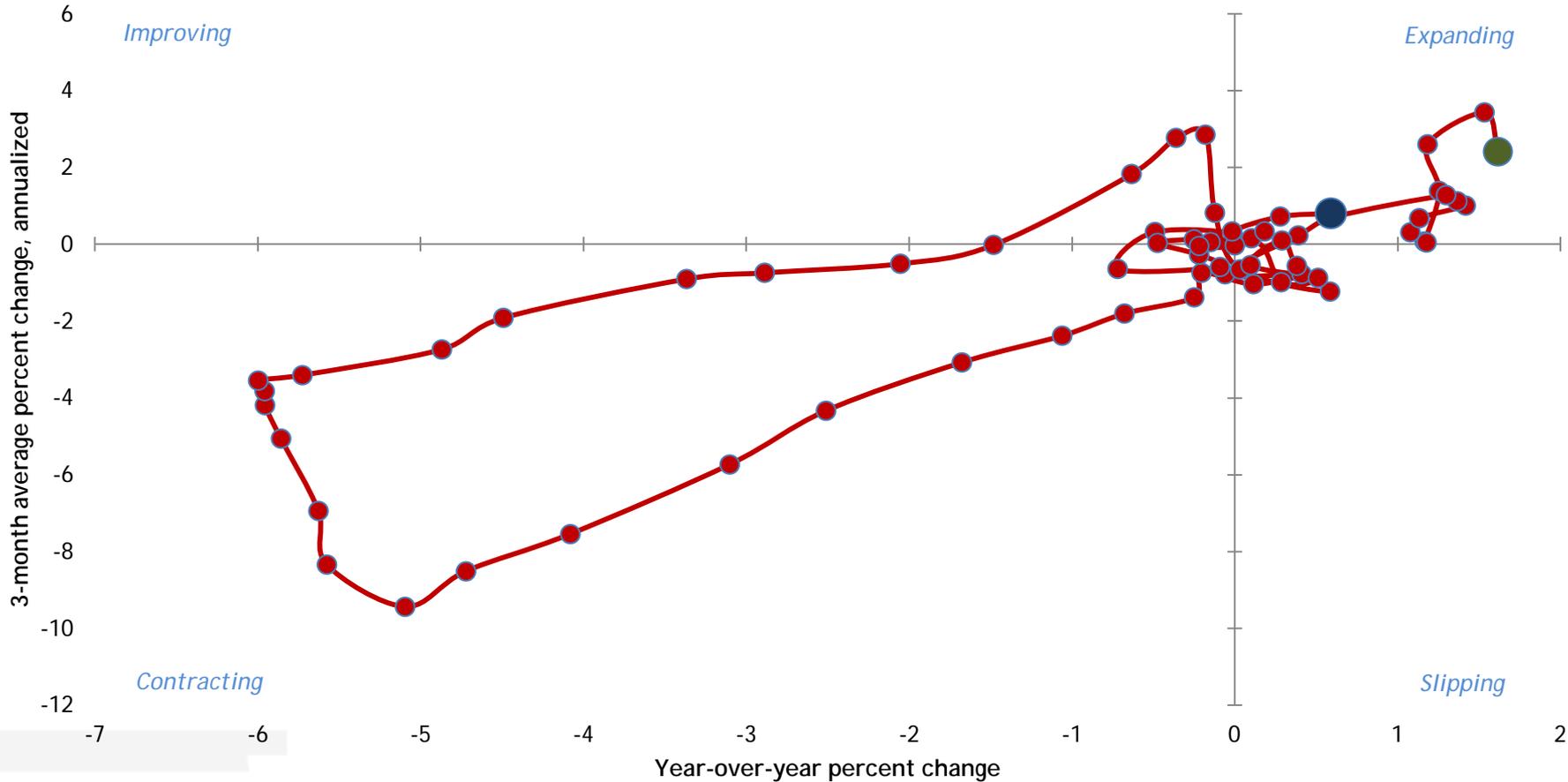


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

The state's employment momentum track has varied extensively during the past year. Alabama's employment momentum contracted in January, expanded in February, improved in March, and has been in the "expanding" quadrant since April.

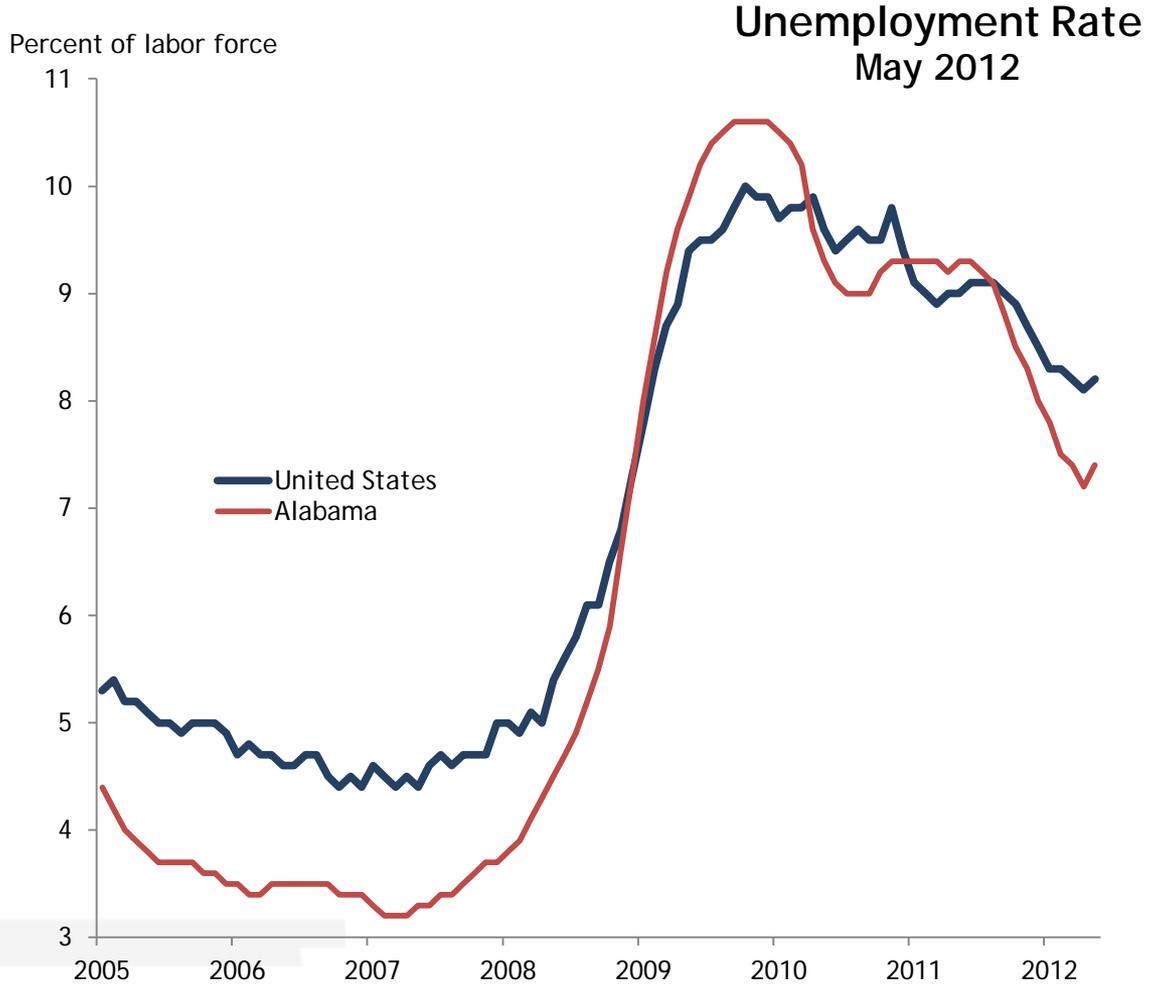
[About Employment Momentum Track](#)

Employment Momentum Track January 2007–May 2012



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Until the recession, Alabama's unemployment rate was well below the overall U.S. rate. Alabama's rate fell during the last half of 2011 and is now below the U.S. rate again. Unemployment rates for the state and some of the metro areas increased in May from April.



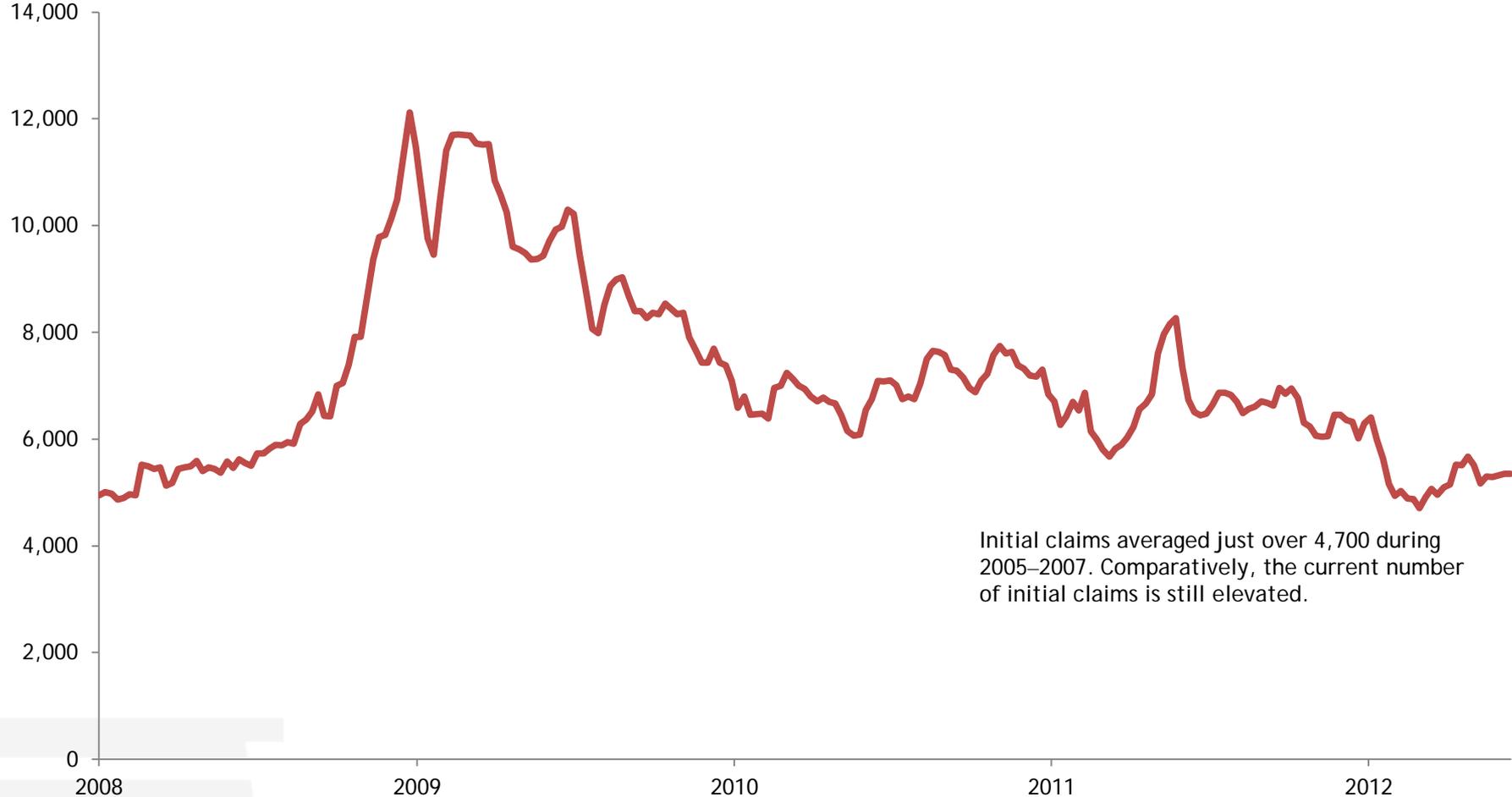
Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	8.2	9.0	4.6
Alabama	7.4	9.3	3.3
Anniston	7.9	9.3	3.4
Auburn-Opelika	6.5	7.5	3.4
Birmingham	6.8	8.2	3.2
Decatur	7.5	8.7	3.5
Dothan	7.0	8.1	3.2
Florence	6.8	8.1	4.1
Gadsden	7.3	9.0	4.0
Huntsville	6.5	7.5	2.9
Mobile	8.5	9.9	3.5
Montgomery	7.6	8.8	3.6
Tuscaloosa	7.3	8.8	3.2

Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial claims for unemployment insurance have remained flat since mid-May.

Initial Unemployment Insurance Claims: Alabama June 16, 2012

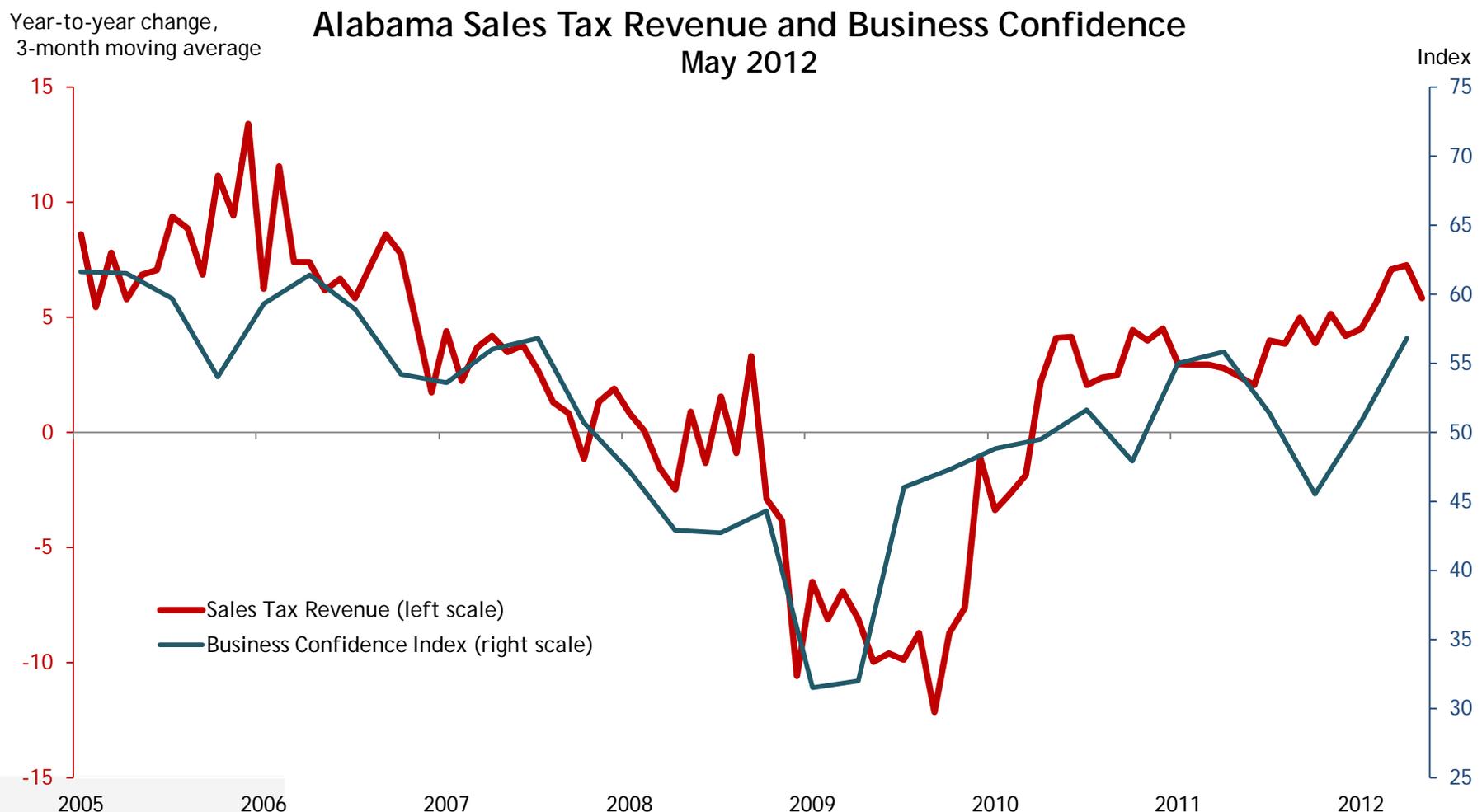
4-week moving average



Initial claims averaged just over 4,700 during 2005–2007. Comparatively, the current number of initial claims is still elevated.

Source: U.S Department of Labor–Employment and Training Administration, Haver Analytics

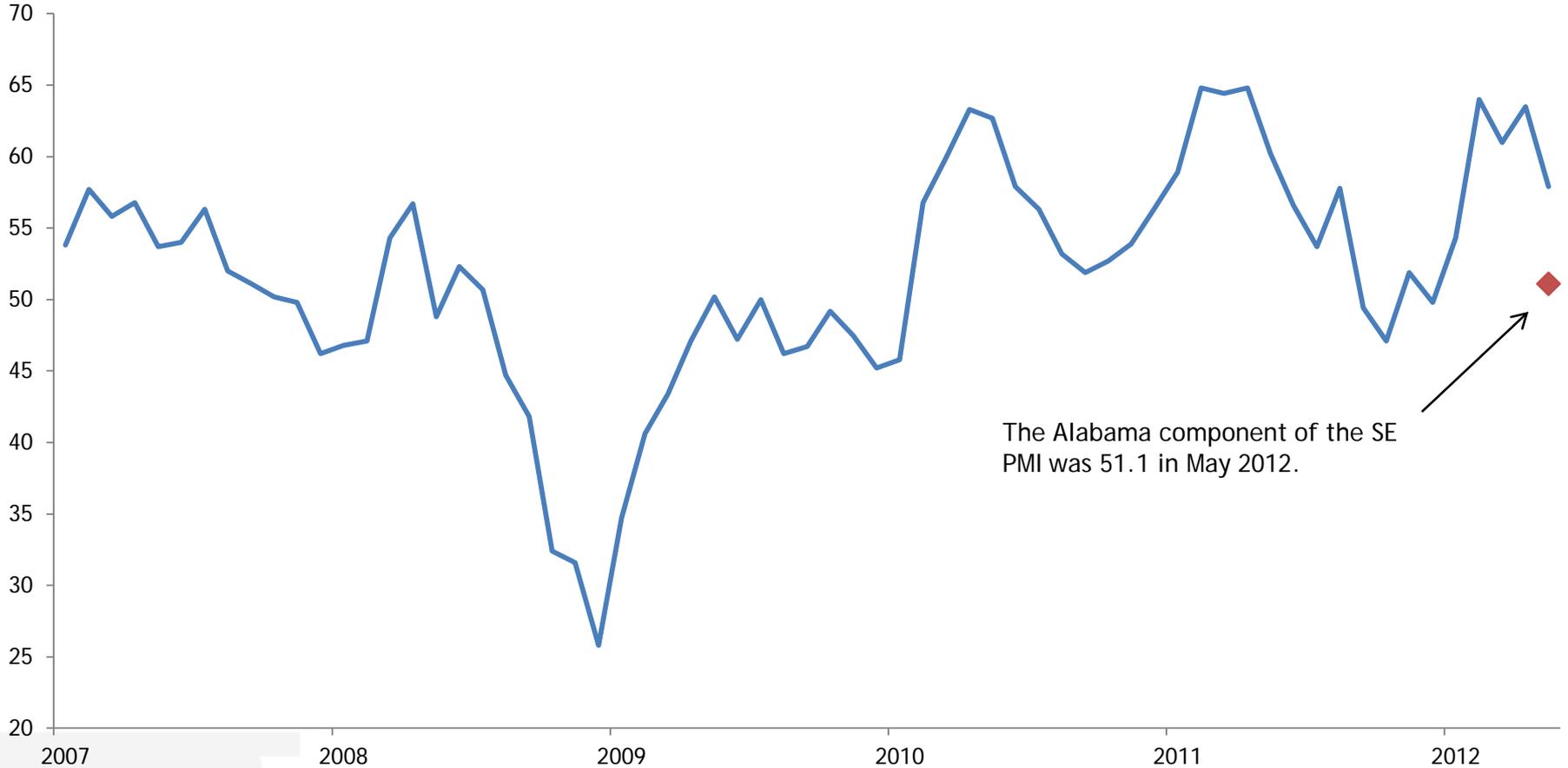
Business confidence, as measured by the University of Alabama's survey, remained in positive territory for the second quarter of 2012. Business confidence improved across all industries and matched the level last seen in the third quarter of 2007. Sales tax revenue continues to experience positive year-over-year growth.



Note: Sales tax data are through May 2012; Business Confidence Index as of second quarter 2012.
 Source: Alabama Department of Revenue, University of Alabama Center for Business and Economic Research, Federal Reserve Bank of Atlanta

Regional manufacturing activity decelerated in May, according to the Southeast Purchasing Managers Index (PMI) produced by Kennesaw State University. Alabama's component measured 51.1, below the overall regional reading of 57.9, but both remain in expansionary territory.

Southeast Purchasing Managers Index May 2012

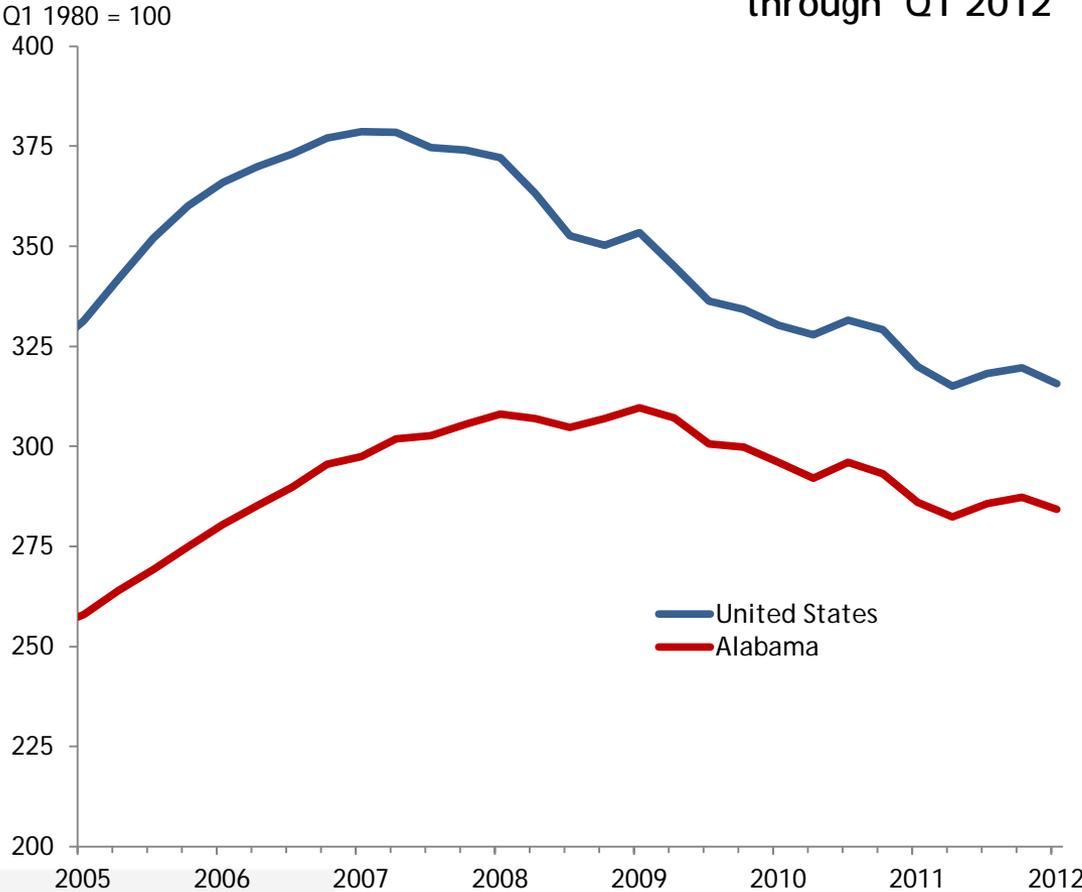


Note: 50+ = Expansion

Source: Kennesaw State University, Coles College of Business Econometric Center

First quarter data indicated that home prices declined for both Alabama and the United States, after improving the last two quarters of 2011.

Federal Housing Finance Agency Home Price Index through Q1 2012

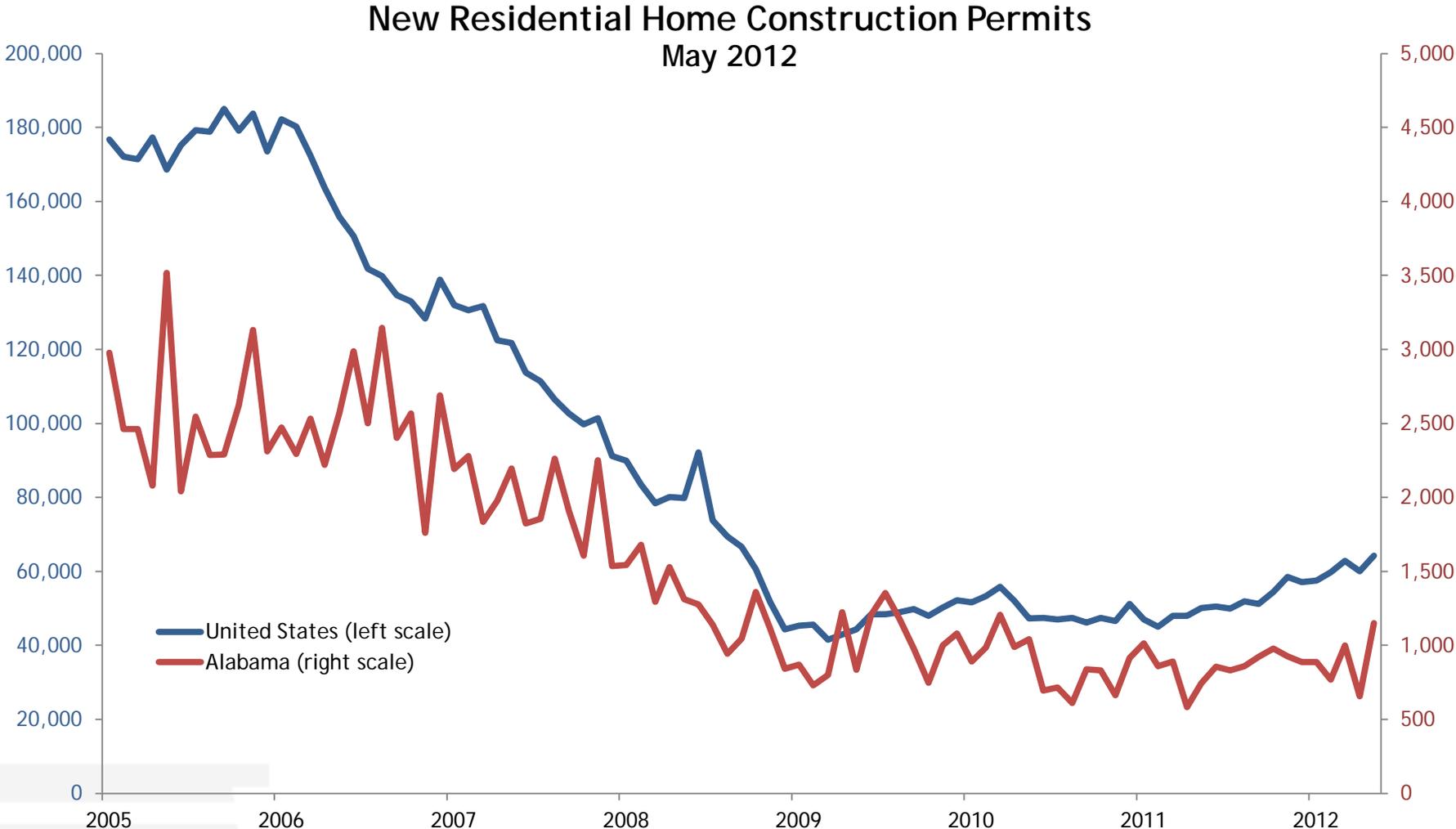


FHFA House Price Index: Q1 2012	1-yr % change	5-yr % change	10-yr % change
USA	-1.4	-16.7	20.8
Alabama	-0.6	-4.4	24.9
Anniston-Oxford	0.5	-2.0	23.9
Auburn-Opelika	-4.3	-10.3	25.1
Birmingham	-1.5	-8.2	19.2
Decatur	-1.6	2.6	21.5
Dothan	-1.7	-3.8	27.6
Florence-Muscle Shoals	0.5	3.9	26.6
Gadsden	4.0	2.6	31.1
Huntsville	0.5	4.1	32.5
Mobile	-2.6	-10.6	23.7
Montgomery	-4.9	-7.3	17.1
Tuscaloosa	2.2	-0.4	28.2

Source: Federal Housing Finance Agency, Haver Analytics

Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

New home construction has stabilized at very low levels. Both the United States and Alabama recorded increases in the number of new home permits issued in May.



Source: U.S. Bureau of the Census, Haver Analytics

For additional sources of information, see our Local Economic Analysis Research Network membership at www.frbatlanta.org/rein/learn/map/learn_members.cfm.