



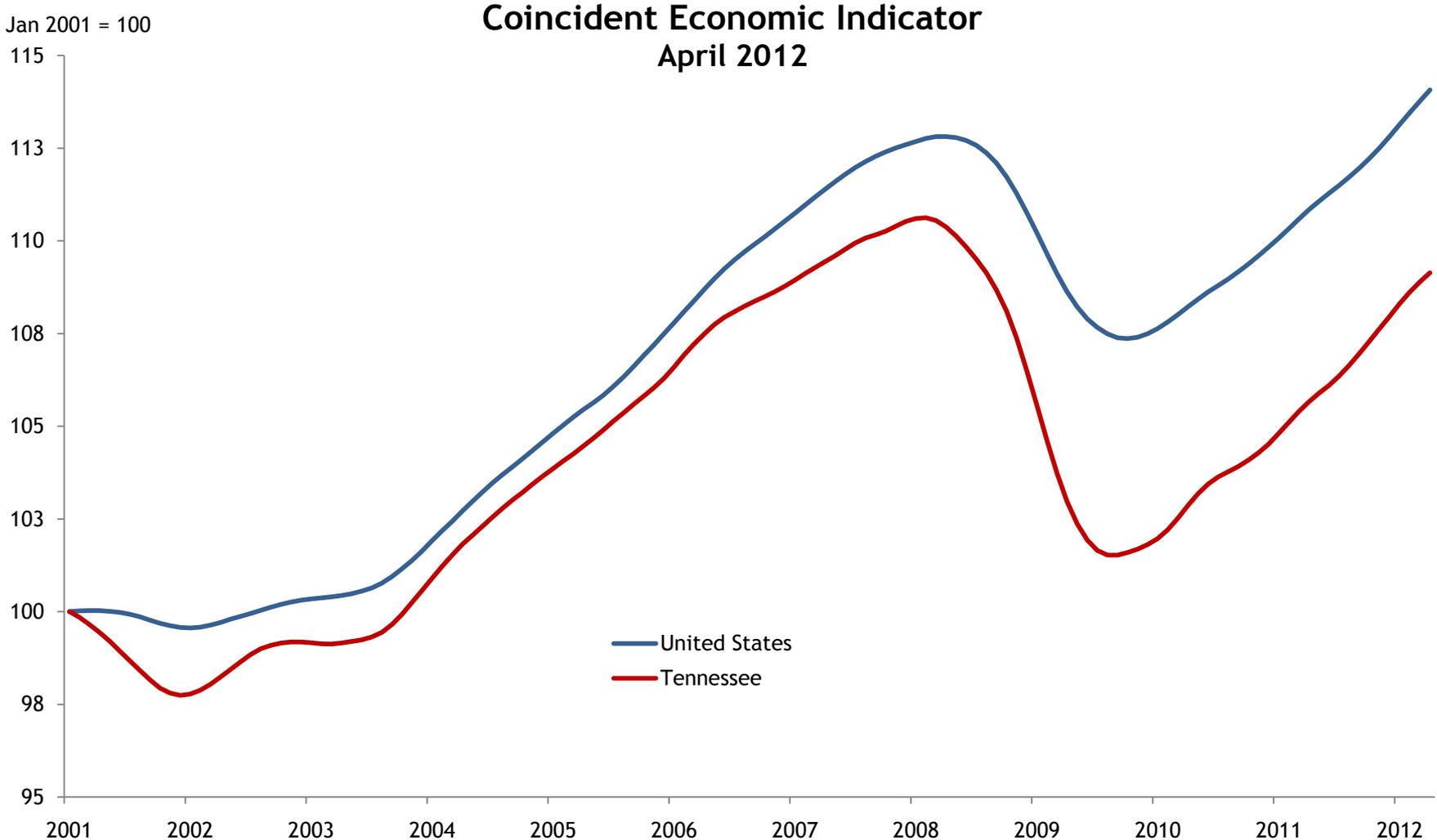
Data Digest: Tennessee

June 2012



Tennessee's recent economic performance largely mirrors that of the United States.

[About the Coincident Economic Indicator](#)

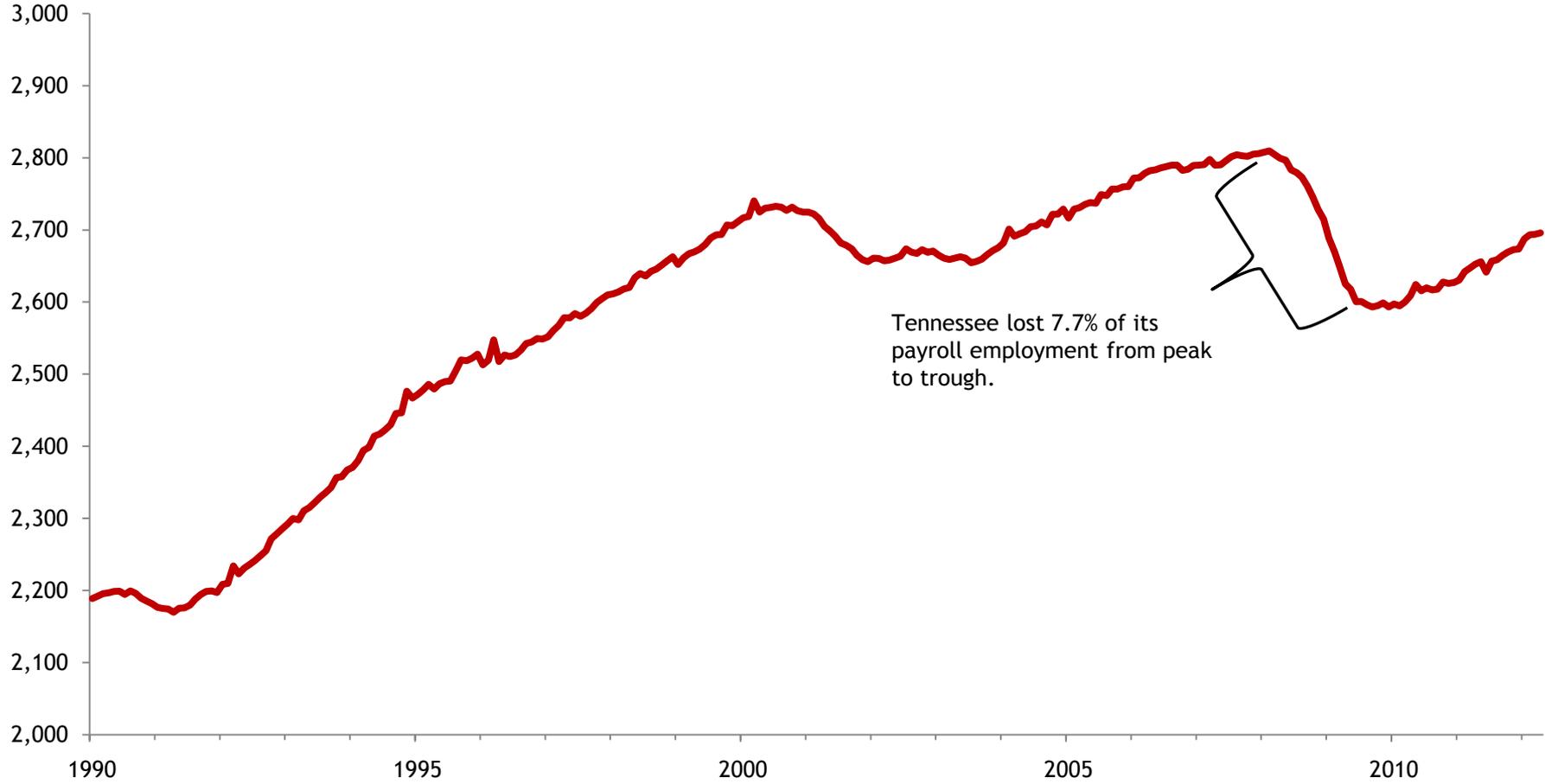


Source: Federal Reserve Bank of Philadelphia

For more than two years, total employment in Tennessee has been gradually increasing.

Tennessee Payroll Employment April 2012

Thousands,
seasonally adjusted

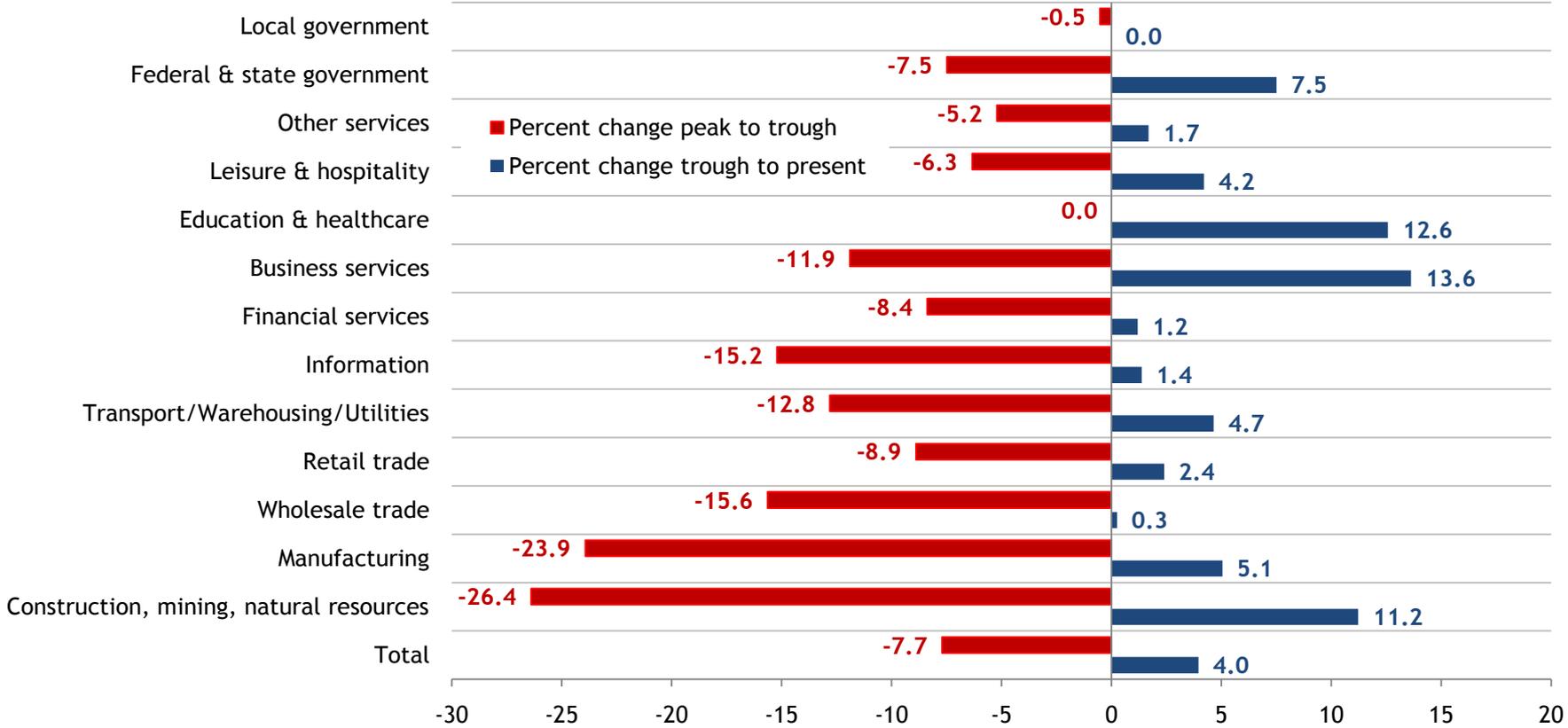


Tennessee lost 7.7% of its payroll employment from peak to trough.

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

All private industries except education and health care lost jobs during the recent downturn; manufacturing and construction, mining, and natural resources saw significant declines. Most industries have added jobs during the recovery.

Employment Loss and Gain by Industry: Tennessee April 2012



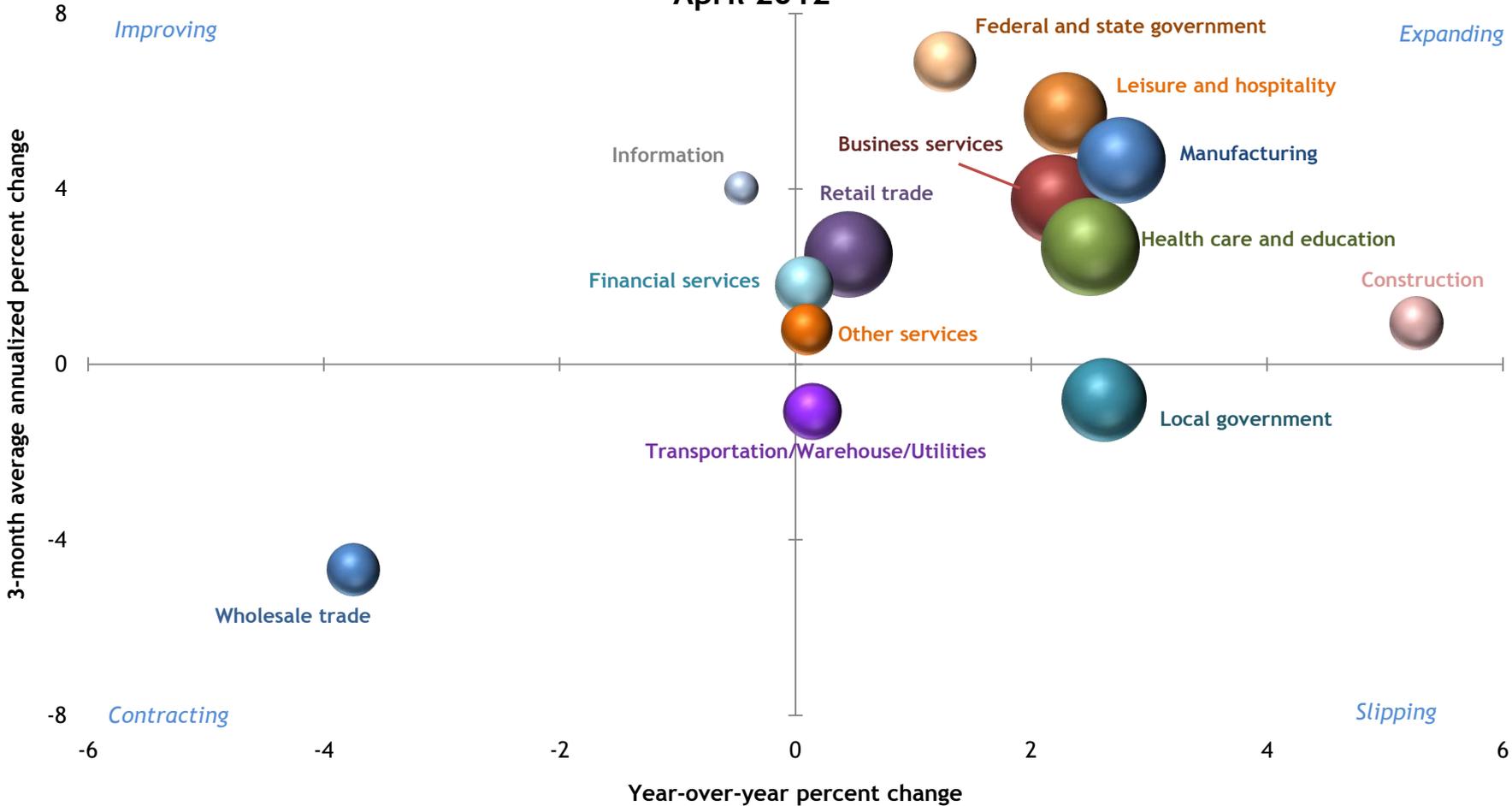
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

Employment in most industries expanded during April. Wholesale trade contracted and transportation/warehouse/utilities and local government slipped.

[About Employment Momentum](#)

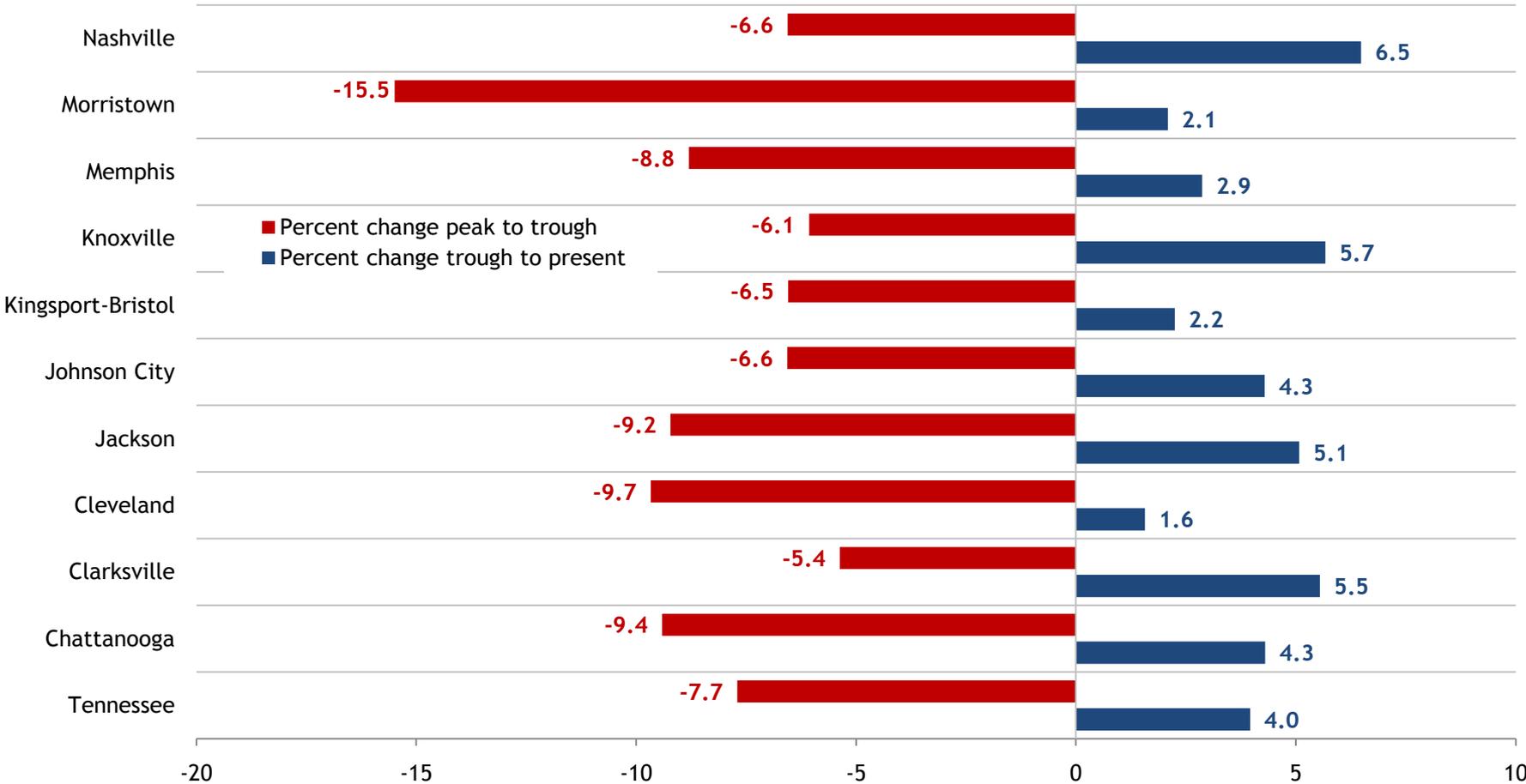
Employment Momentum by Industry: Tennessee April 2012



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

Employment losses in Tennessee metro areas were significant during the downturn. Clarksville has regained the jobs that were lost, and Nashville is getting close to achieving that; other metro areas are slowly regaining jobs.

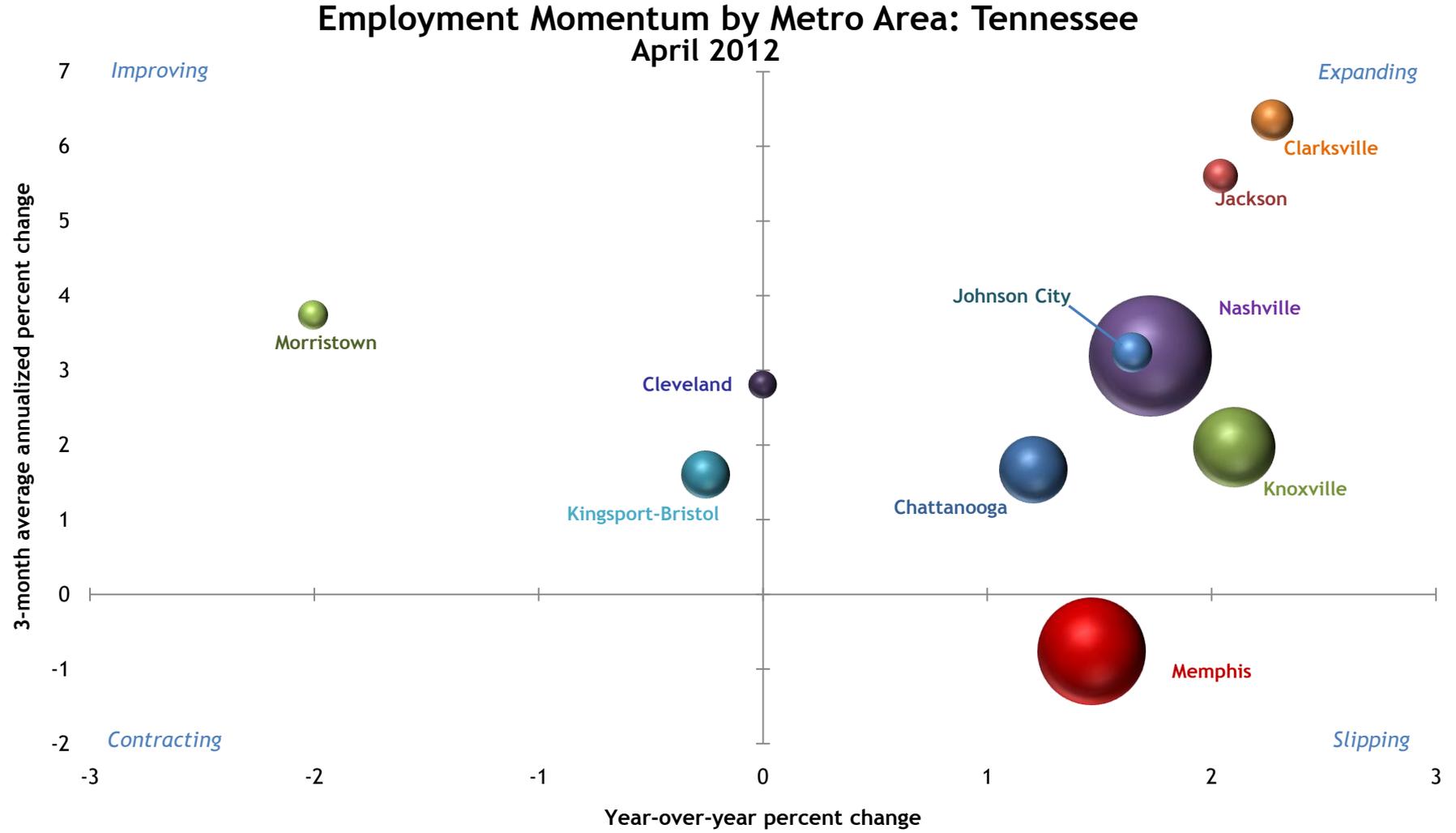
Employment Loss and Gain by Metro Area: Tennessee
April 2012



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

Most of Tennessee's metro areas experienced expanding employment momentum in April. Employment in Memphis slipped, Morristown, Cleveland, and Kingsport-Bristol improved.

[About Employment Momentum](#)

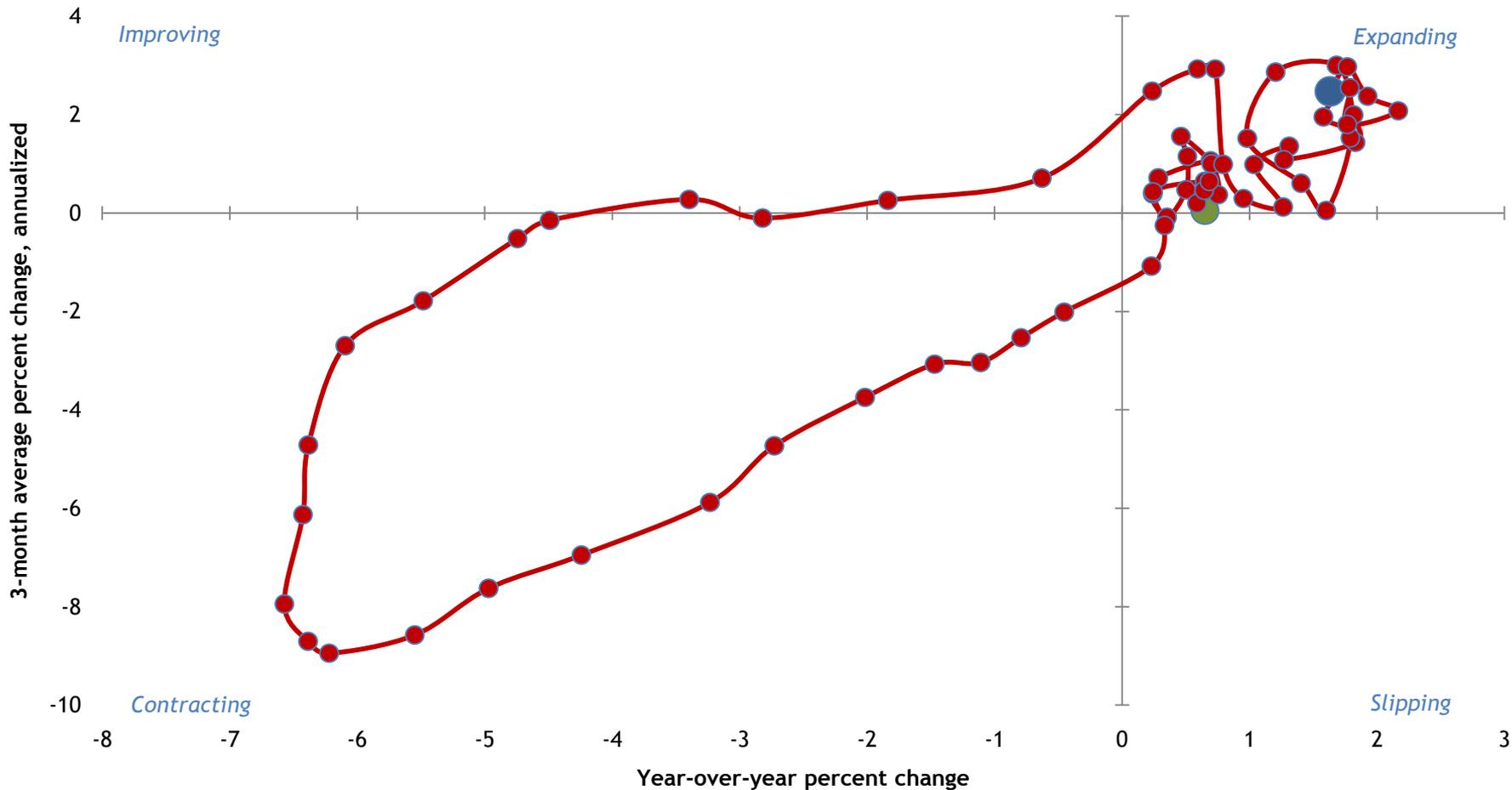


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum has been positive for much of the past two years.

[About Employment Momentum Track](#)

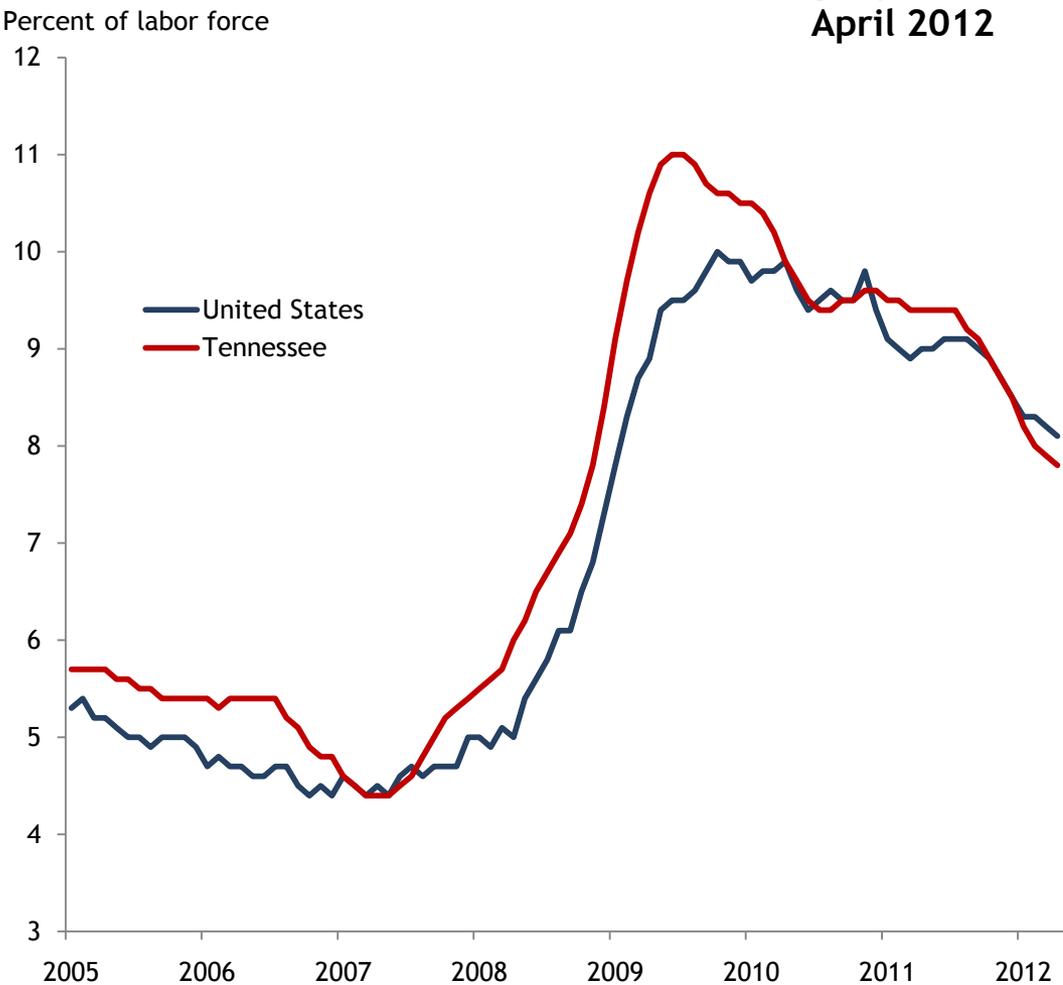
Employment Momentum Track: Tennessee January 2007–April 2012



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

Tennessee's unemployment rate dropped again in April and was below the national average for the fourth consecutive month.

Unemployment Rate April 2012

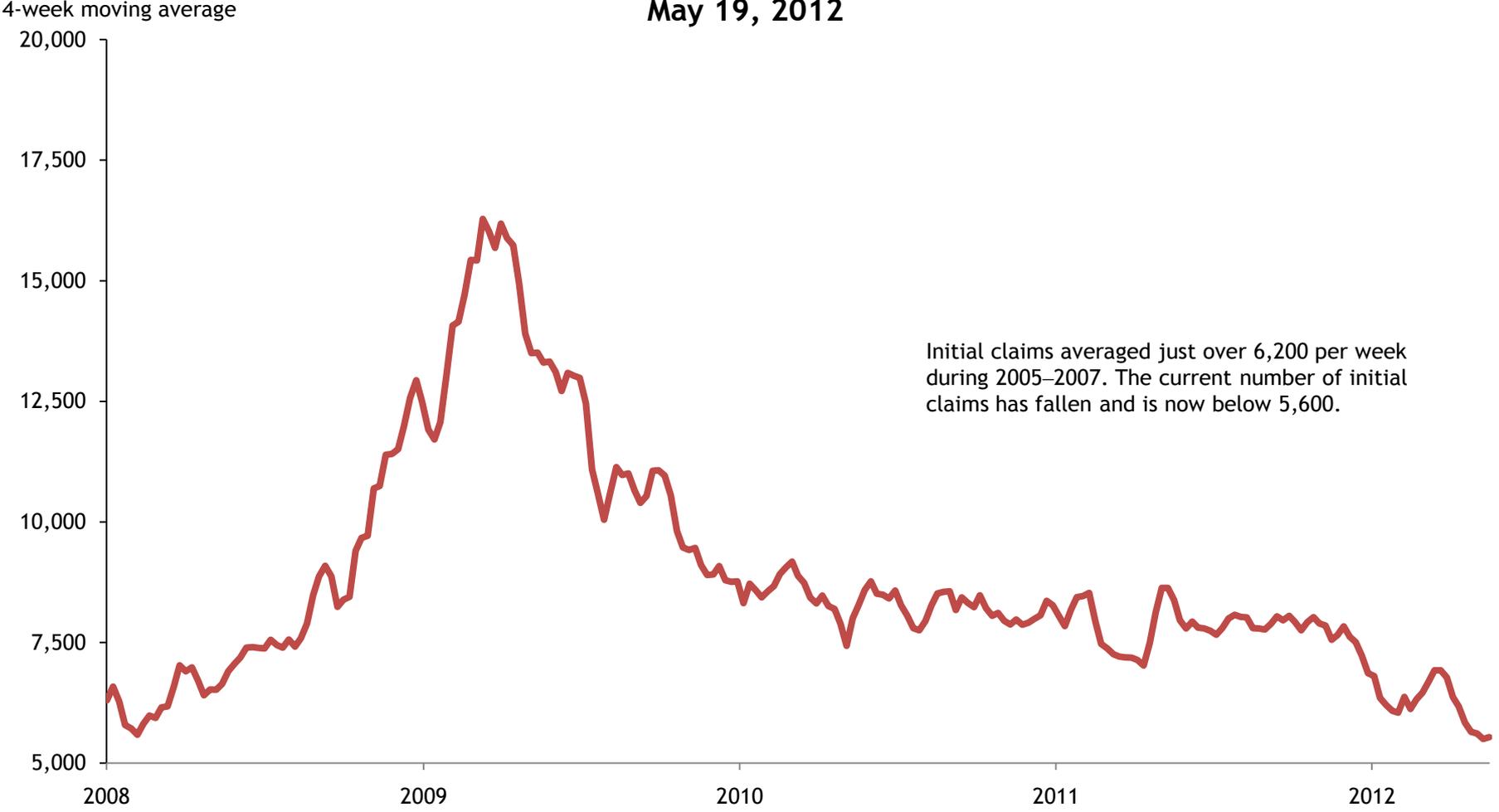


Unemployment Rates			
	Current	Year Ago	Jan 2007
USA	8.1	9.0	4.6
Tennessee	7.8	9.4	4.6
Chattanooga	7.1	8.3	4.4
Clarksville	8.2	9.9	5.7
Cleveland	7.9	9.3	4.9
Jackson	8.0	9.7	5.6
Johnson City	6.8	8.5	4.8
Kingsport-Bristol	7.0	8.0	4.8
Knoxville	6.1	7.5	4.1
Memphis	8.4	9.8	5.8
Morristown	9.2	11.1	6.1
Nashville	6.5	8.2	4.2

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

After increasing during the first quarter of this year, initial claims for unemployment insurance have fallen below levels last seen in early 2008.

Initial Unemployment Insurance Claims: Tennessee May 19, 2012



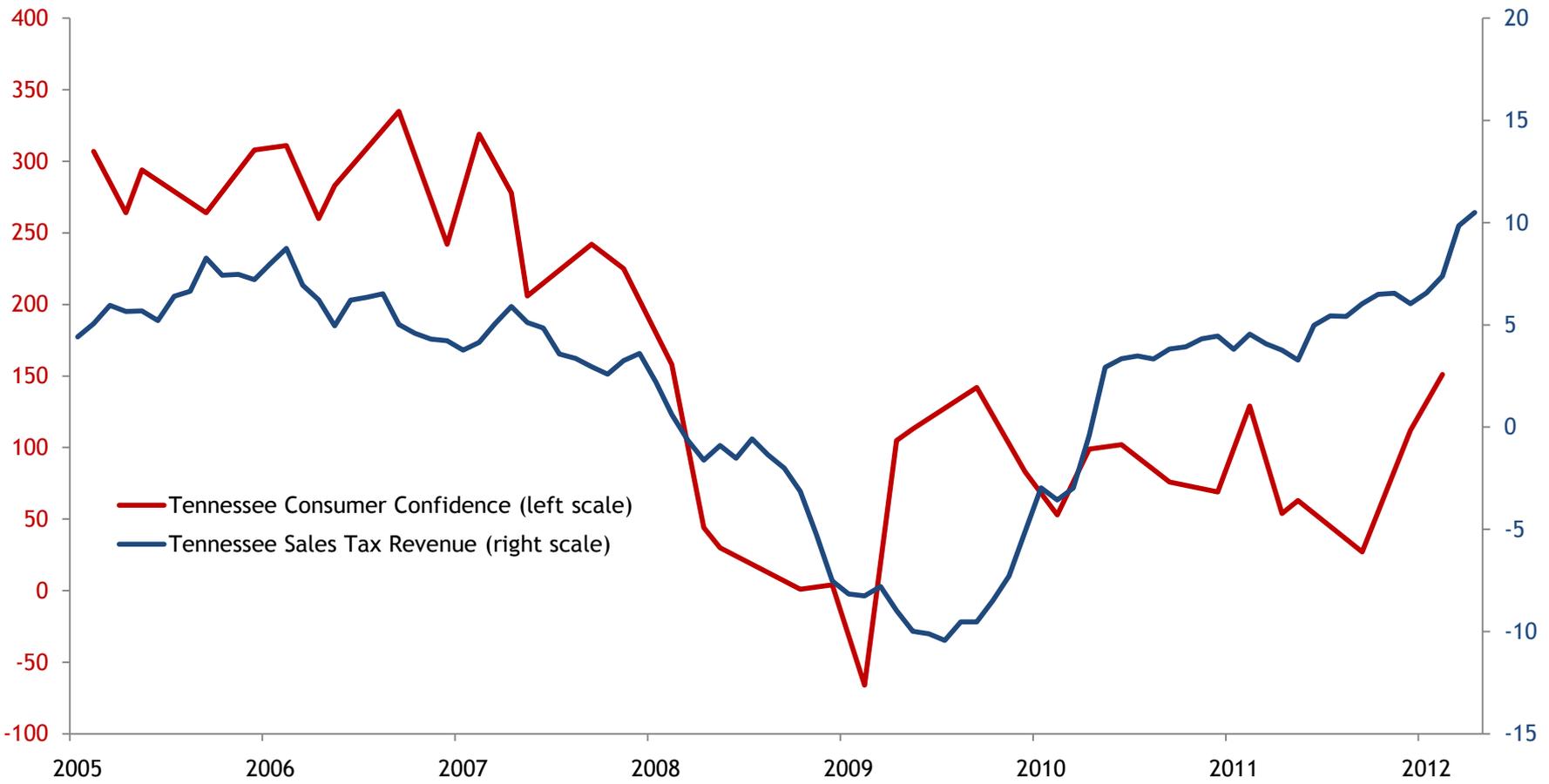
Initial claims averaged just over 6,200 per week during 2005–2007. The current number of initial claims has fallen and is now below 5,600.

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

Sales tax revenue continues to increase in Tennessee.

Tennessee Sales Tax Revenue and Consumer Confidence April 2012

Year-to-year change,
3-month moving average



Note: Consumer confidence data are as of February 2012.
Source: Middle Tennessee State University, Tennessee Department of Revenue

Regional manufacturing activity expanded in April, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. Tennessee's component of the Southeast PMI was 70.7, well above the regional measure of 63.5.

Southeast Purchasing Managers Index
April 2012



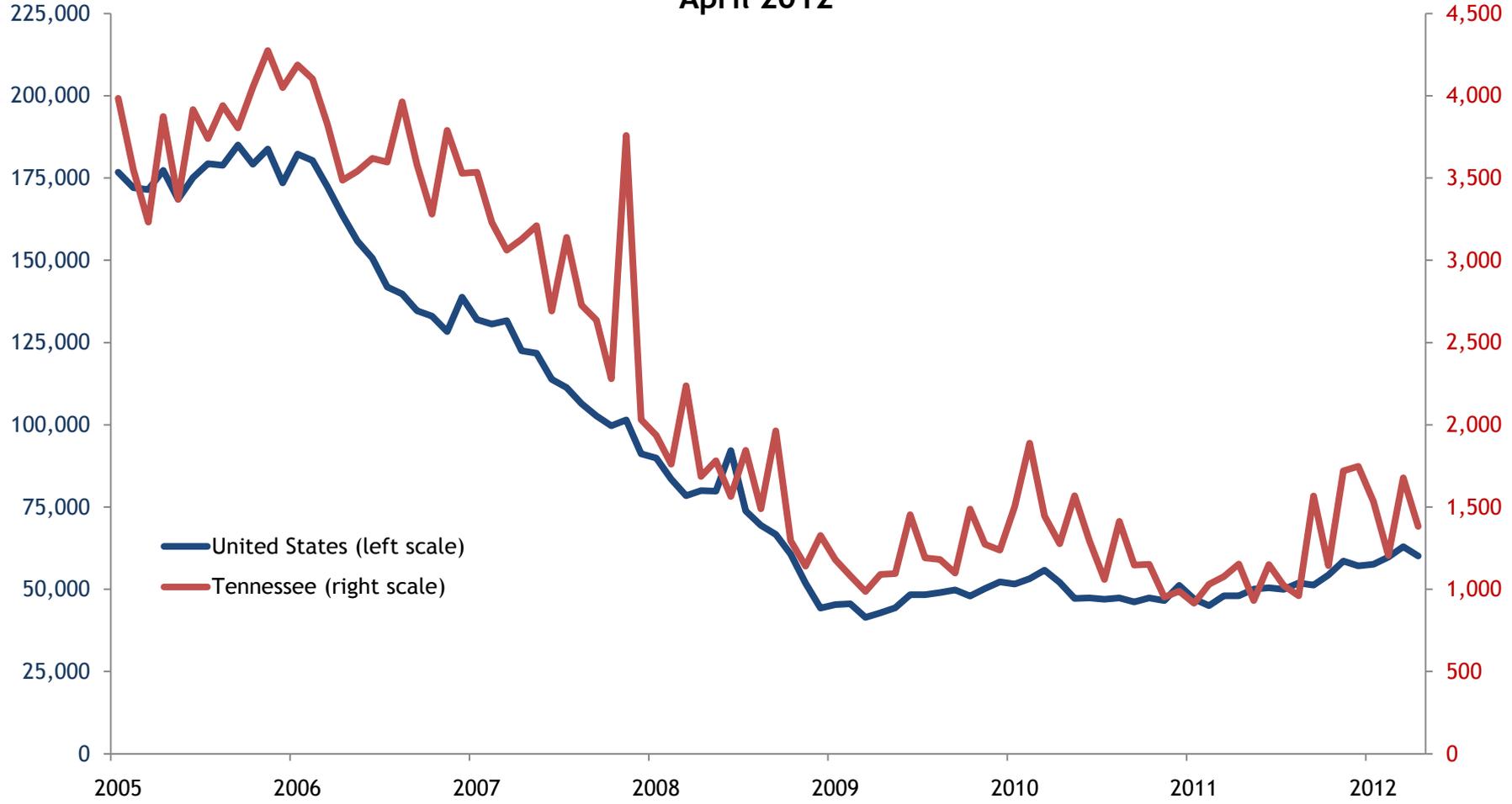
The Tennessee component of the SE PMI was 70.7 in April 2012.

Note: 50+ = Expansion

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

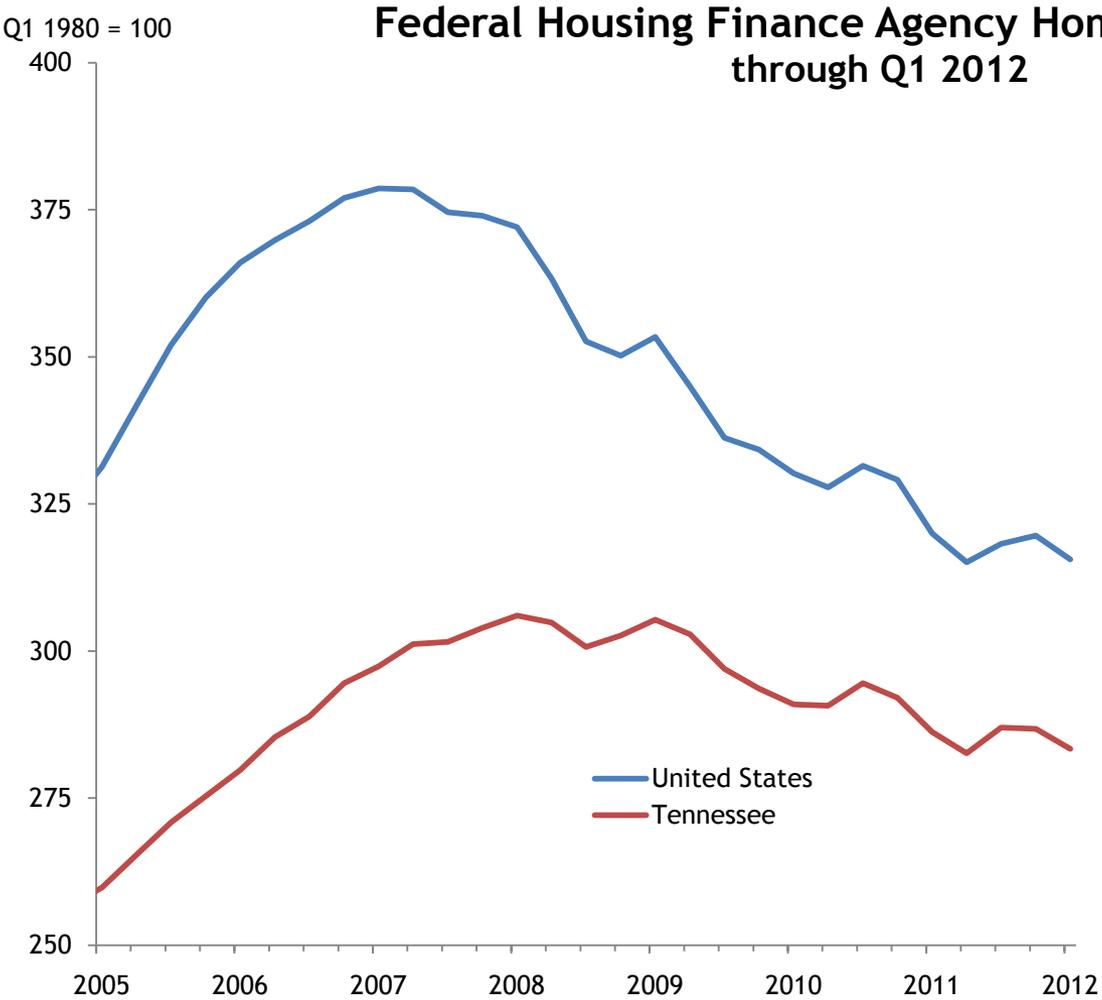
New home construction permits for the United States and Tennessee remain at historically low levels.

New Residential Home Construction Permits April 2012



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

Home prices in Tennessee have declined at a slower pace than in the United States as a whole. Prices fell slightly in the first quarter and were just below year-ago levels.



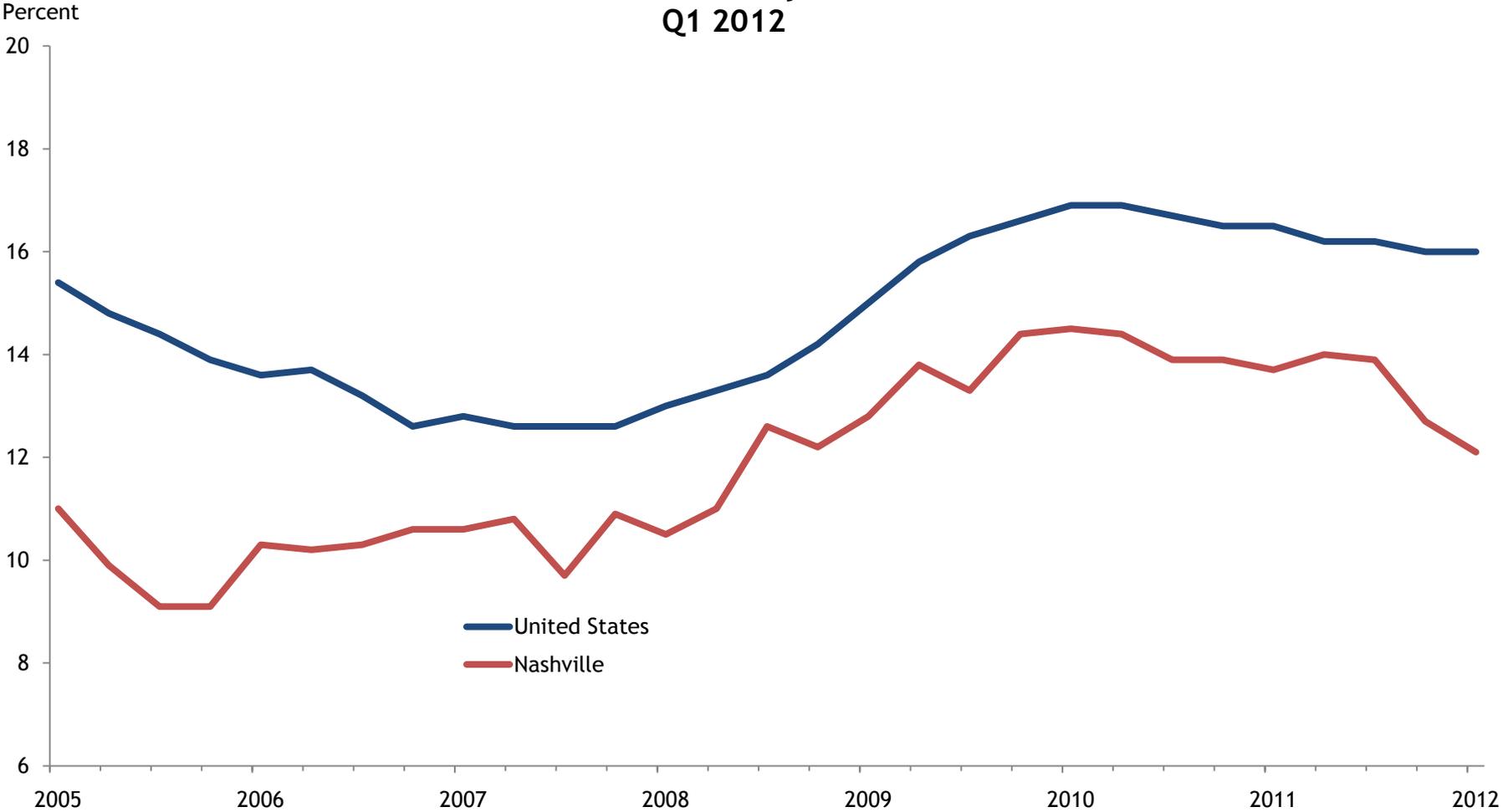
FHFA House Price Index: Q1 2012	1-yr % change	5-yr % change	10-yr % change
United States	-1.4	-16.7	20.8
Tennessee	-1.0	-4.7	22.6
Cleveland	0.2	-3.8	22.4
Jackson	-2.7	-7.1	5.9
Johnson City	0.1	1.0	31.9
Knoxville	-0.5	-2.8	31.4
Morristown	-1.2	-5.9	25.7
Nashville	-0.5	-4.8	25.5
Chattanooga	-1.2	-4.3	24.4
Clarksville	1.8	4.1	34.2
Kingsport-Bristol	-2.4	0.5	31.7
Memphis	-1.3	-11.4	4.4

Source: Federal Housing Finance Agency, Haver Analytics

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

Office vacancy rates rose throughout the recession but now appear to have stabilized at higher levels. Office vacancy rates in Nashville continued to decline in the first quarter.

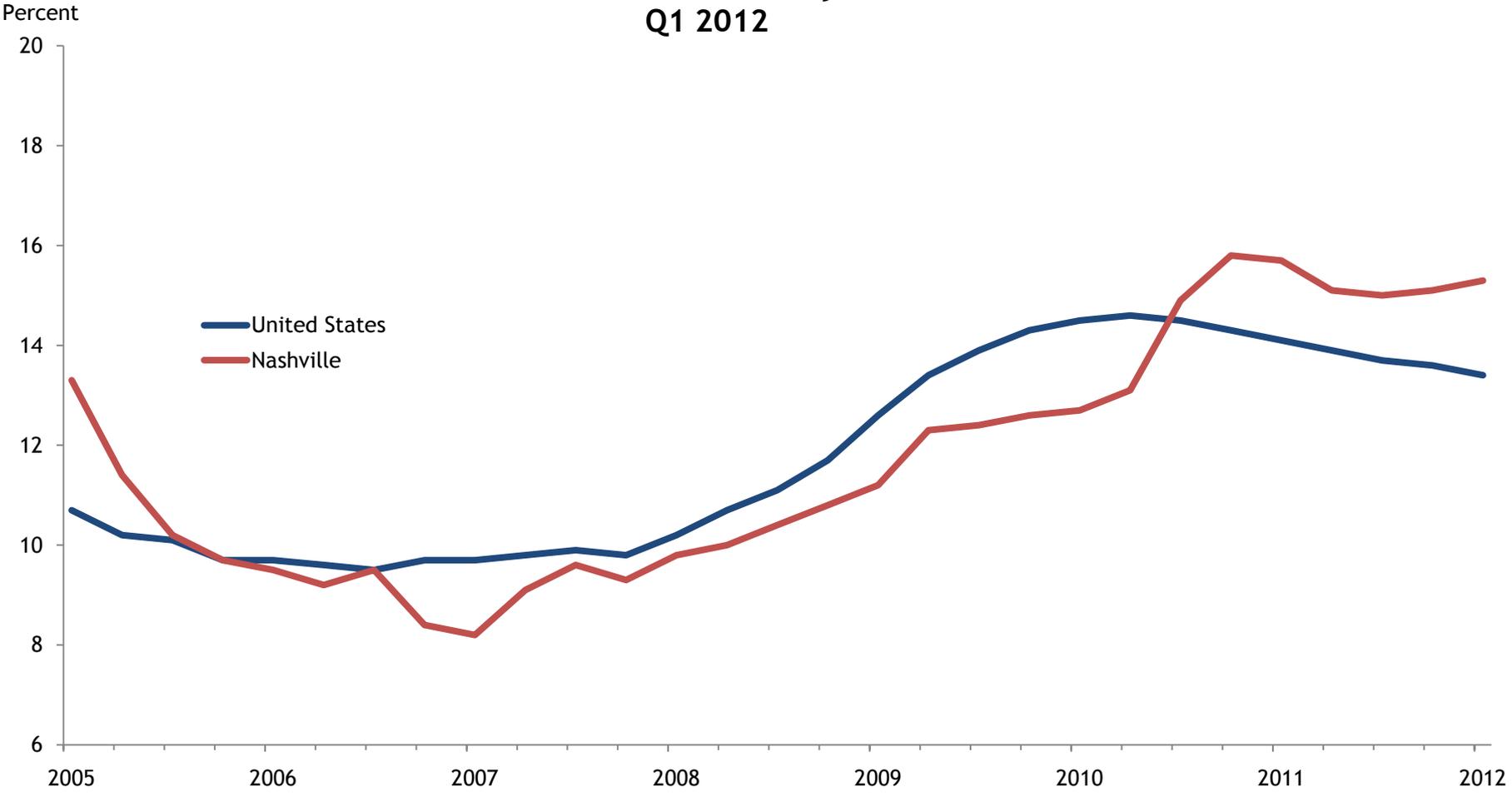
Office Vacancy Rate Q1 2012



Source: CB Richard Ellis, Haver Analytics

Industrial availability rates remain elevated throughout the United States. Nashville's rate increased slightly during the first quarter.

Industrial Availability Rate Q1 2012



Source: CB Richard Ellis, 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.