



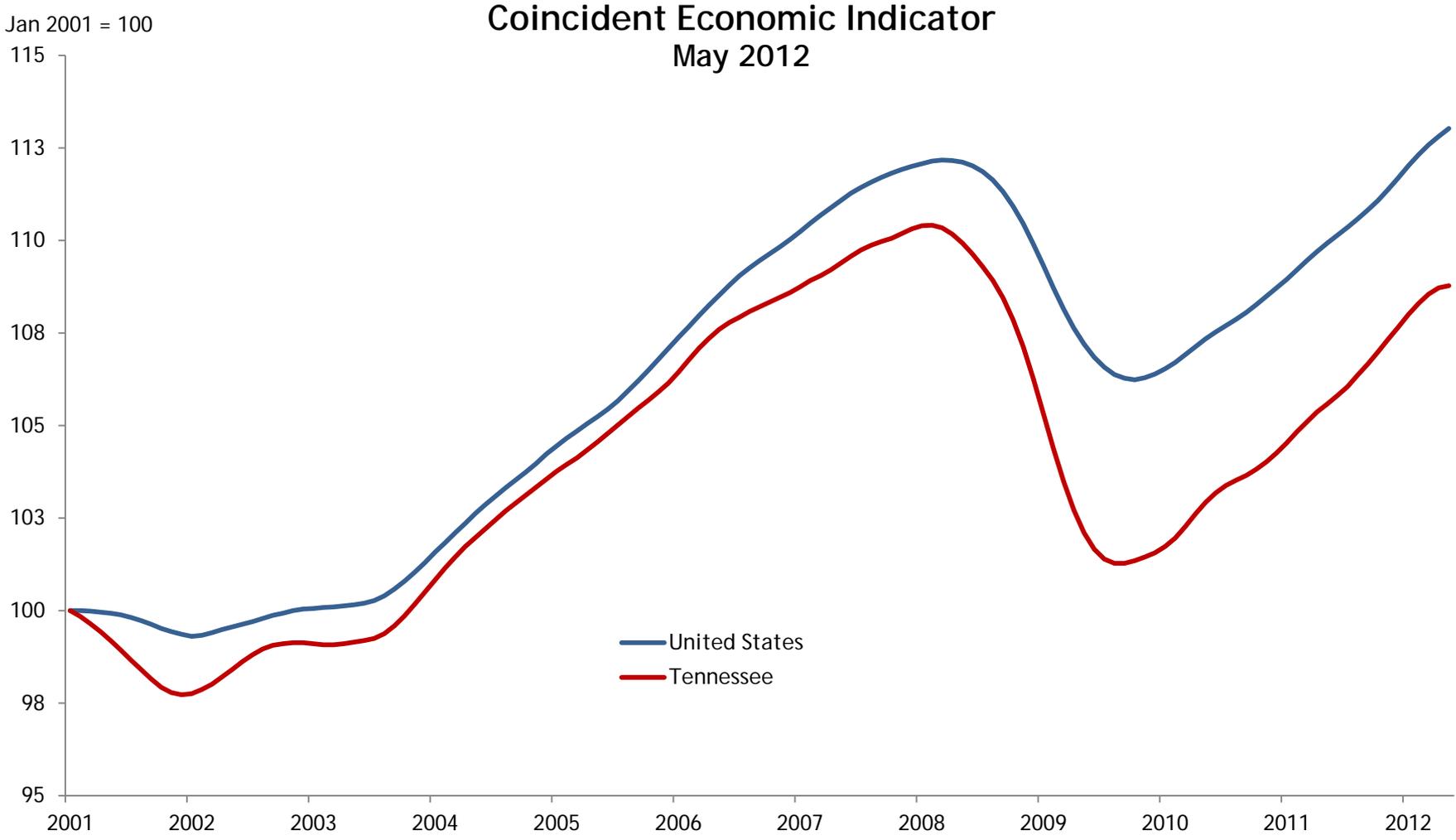
Data Digest: Tennessee

July 2012



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

[About the Coincident Economic Indicator](#)

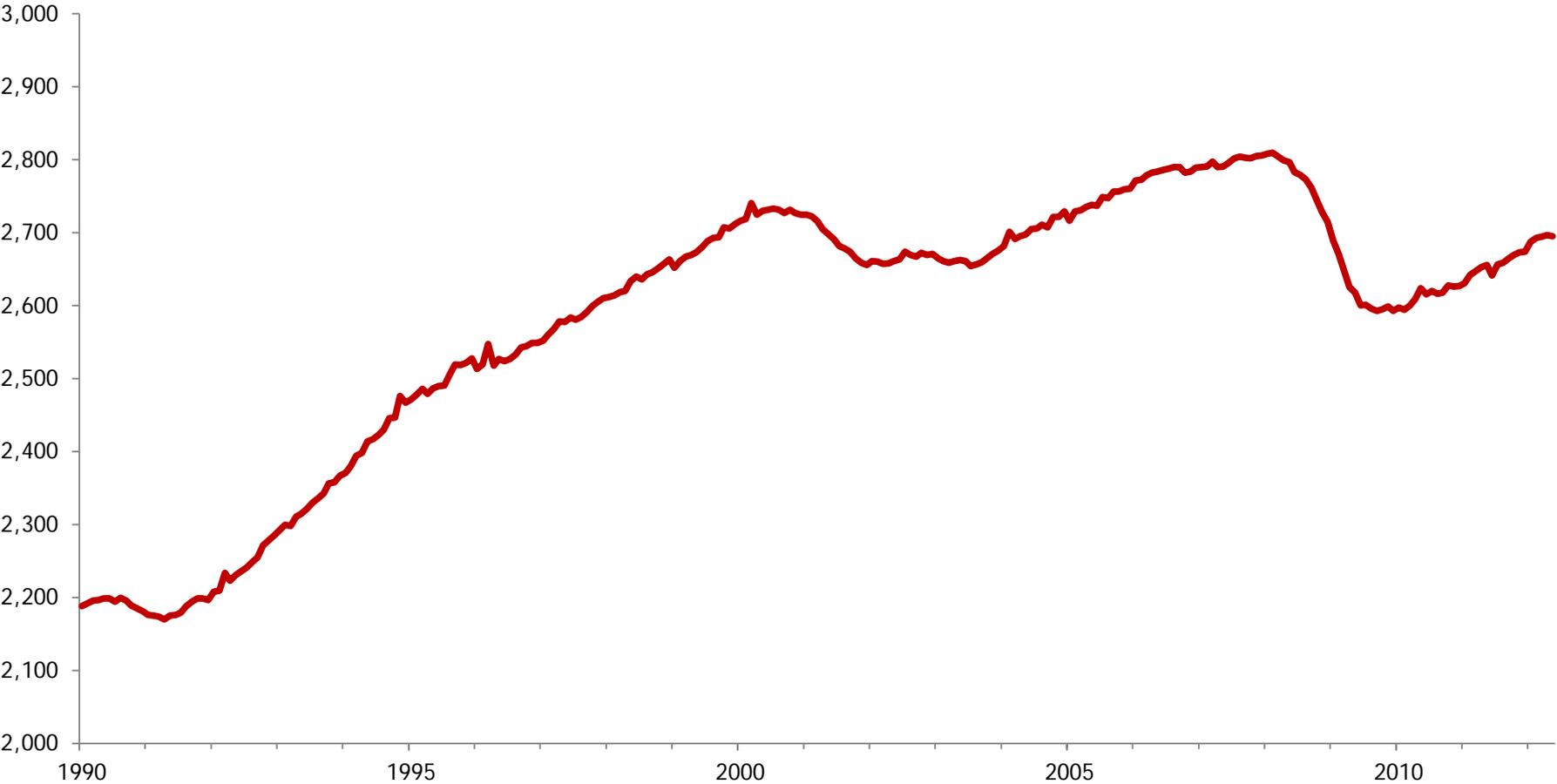


Source: Federal Reserve Bank of Philadelphia

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

Tennessee Payroll Employment May 2012

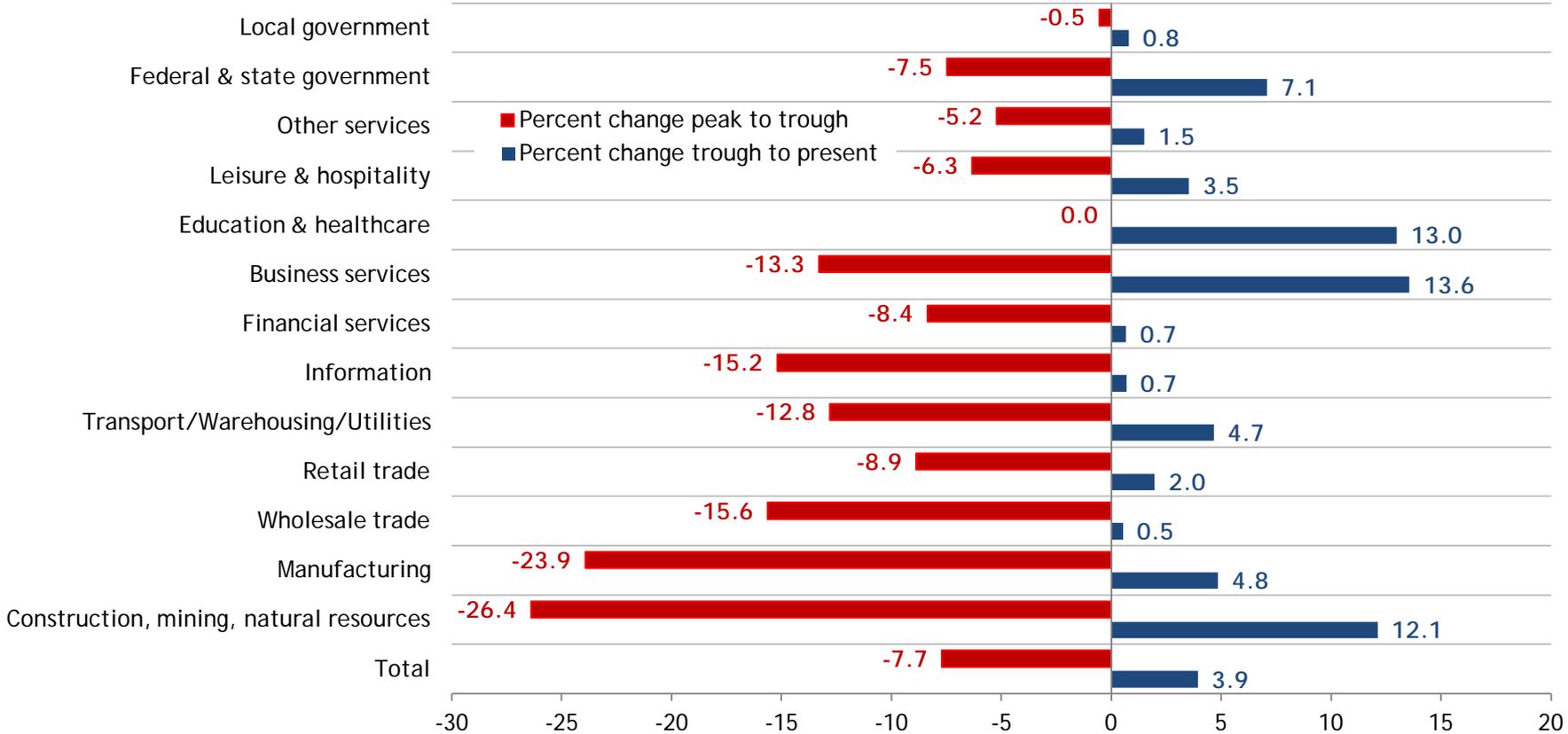
Thousands,
seasonally adjusted



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/natural resources saw significant declines. All industries have added jobs during the recovery.

Employment Loss and Gain by Industry: Tennessee May 2012

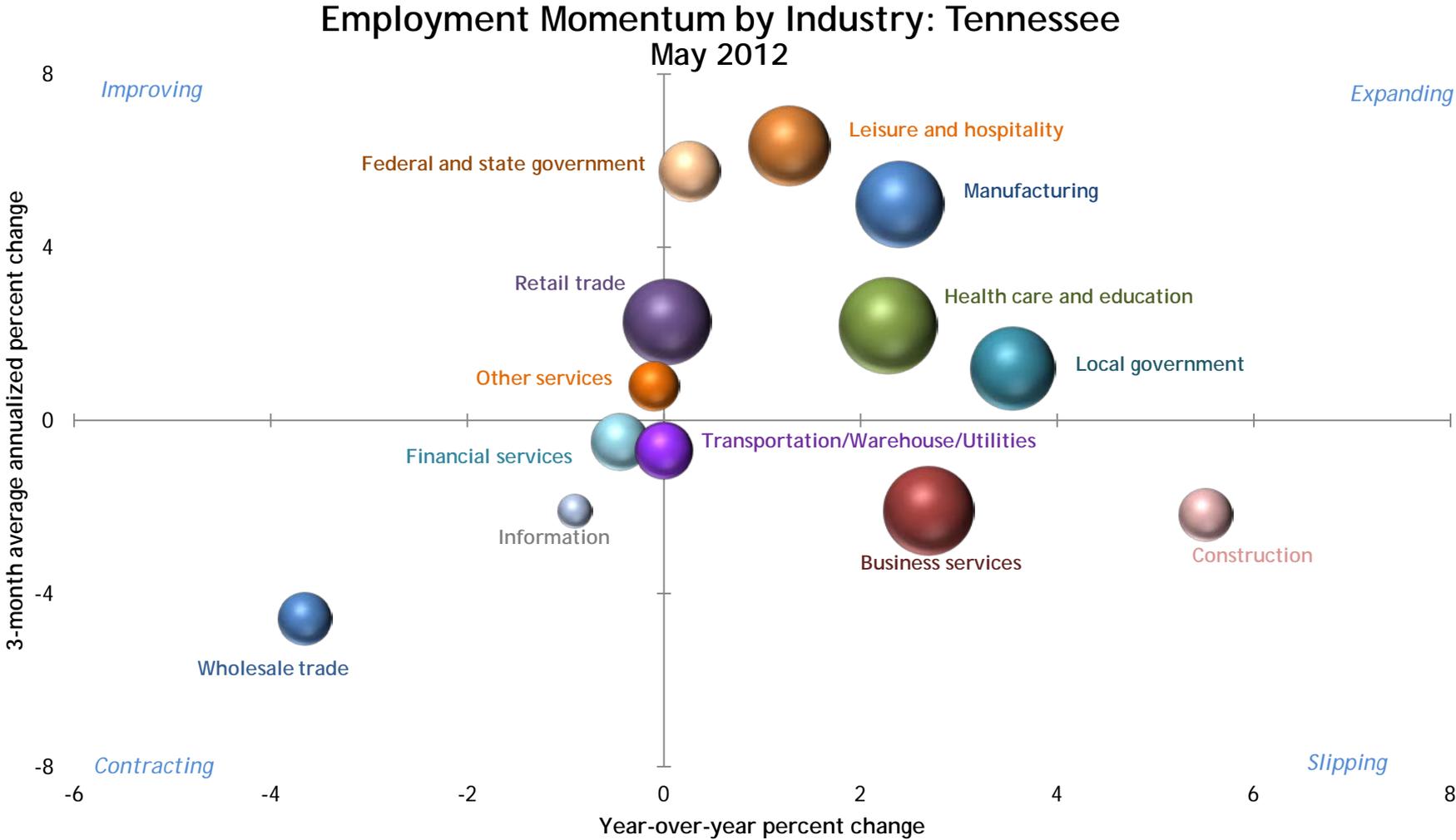


Note: A reading of 0.0 in the "trough to present" measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the "peak to trough" measure indicates that employment continues to increase in these industries; in this instance "trough to present" is the percent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

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

Employment in many industries expanded during May. Wholesale trade, information, financial services, and transportation/warehouse/utilities contracted; business services and construction slipped, and other services improved.

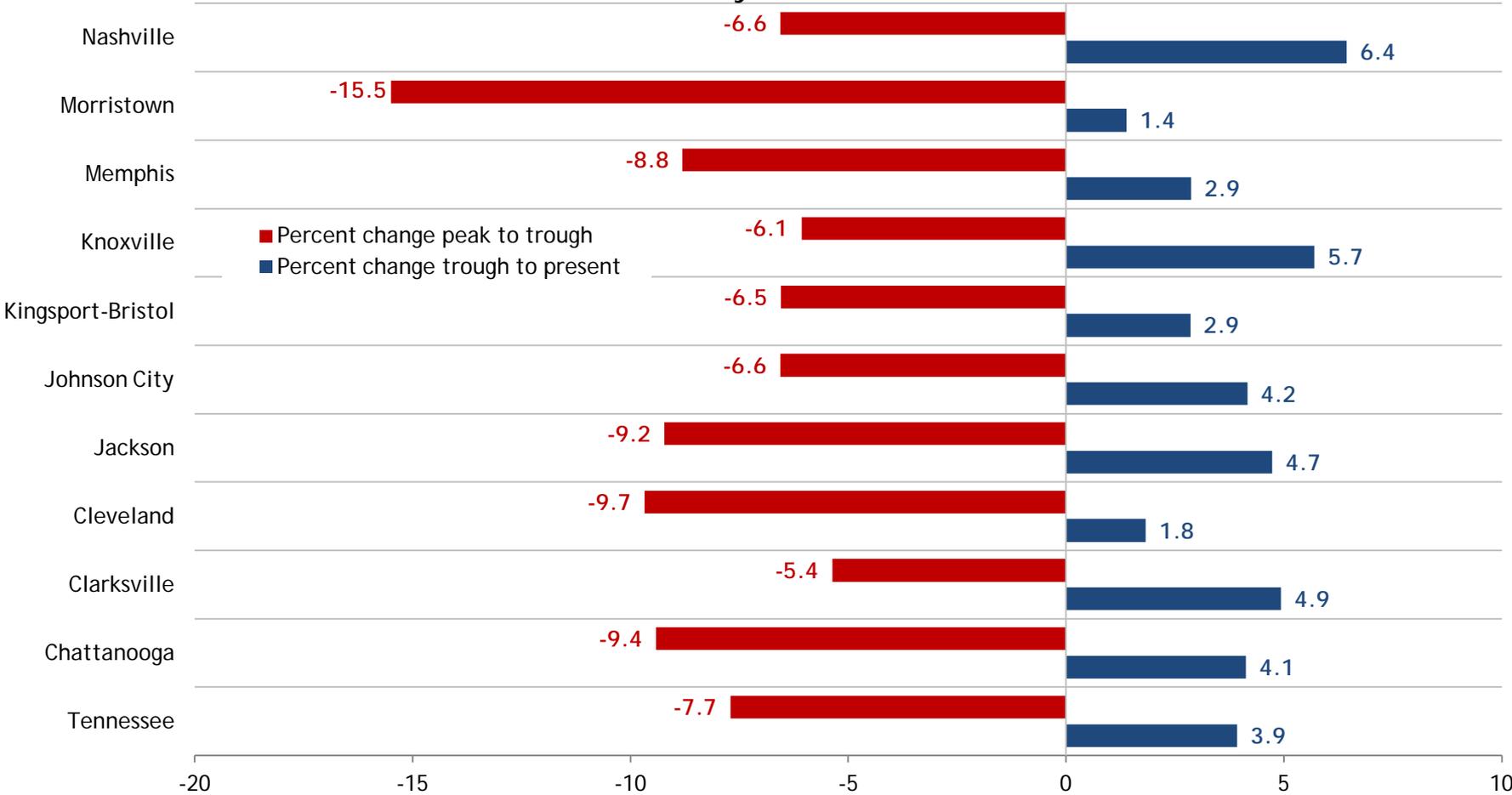
[About Employment Momentum](#)



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, Knoxville, and Nashville are getting close to recovering all the jobs that were lost during the downturn; other metro areas are slowly regaining jobs.

Employment Loss and Gain by Metro Area: Tennessee May 2012

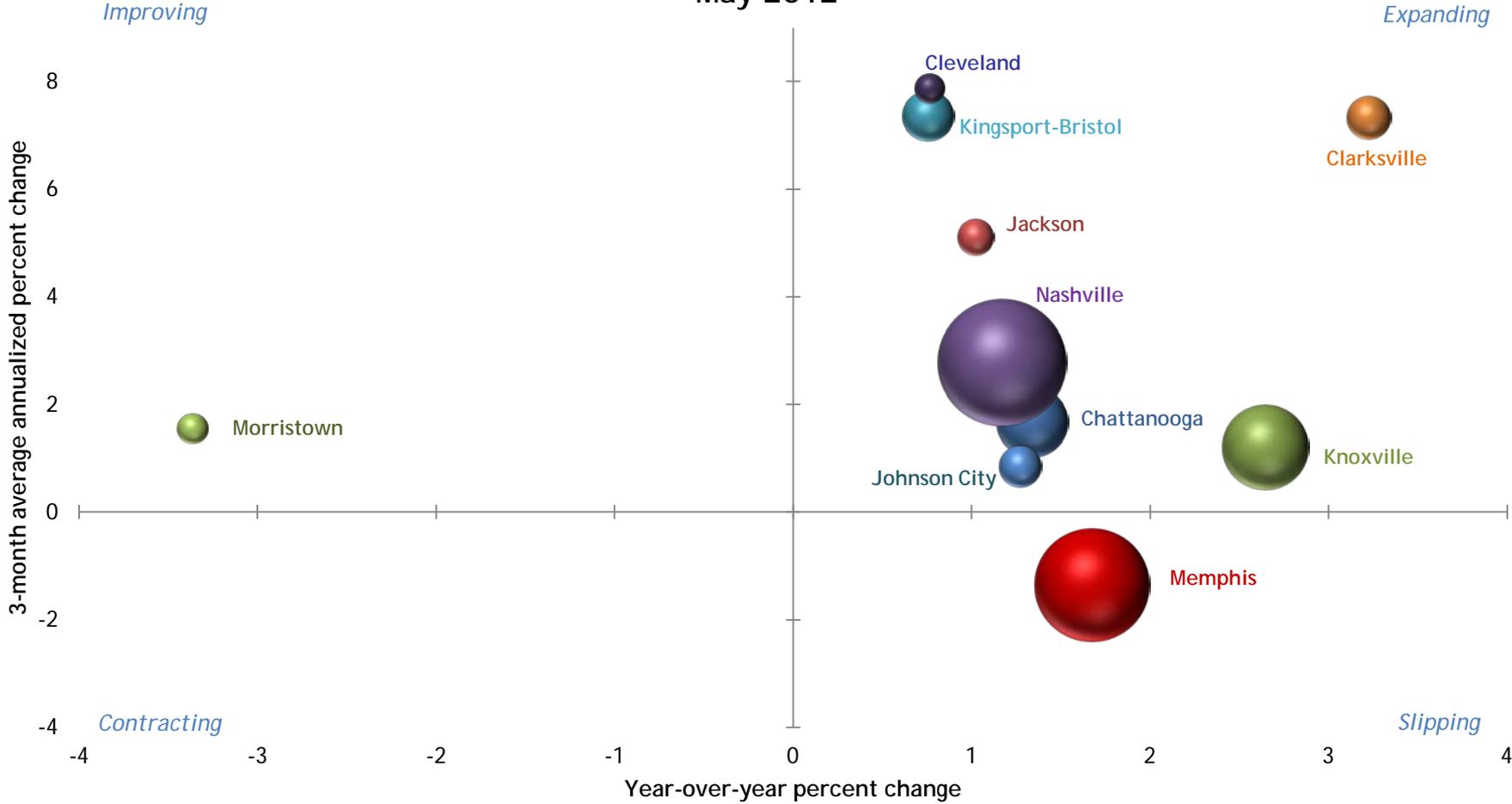


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Nearly all of Tennessee's metro areas experienced expanding employment momentum in May. Employment in Memphis slipped, and Morristown improved.

[About Employment Momentum](#)

Employment Momentum by Metro Area: Tennessee May 2012

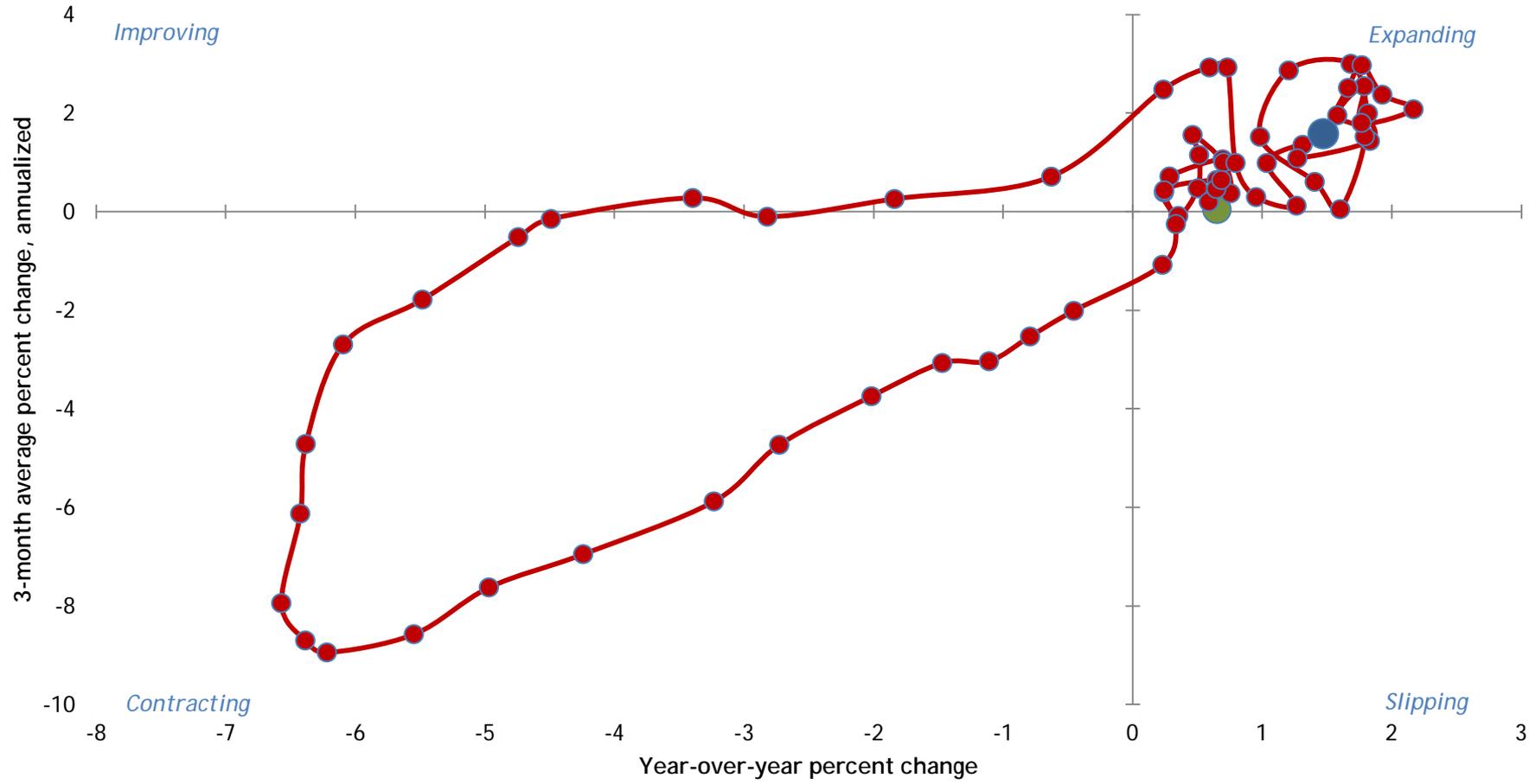


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

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

[About Employment Momentum Track](#)

Employment Momentum Track: Tennessee January 2007–May 2012



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

Unemployment rates for both Tennessee and the United States increased in May; Tennessee's rate remained below the national average for the fifth consecutive month.

Unemployment Rate May 2012

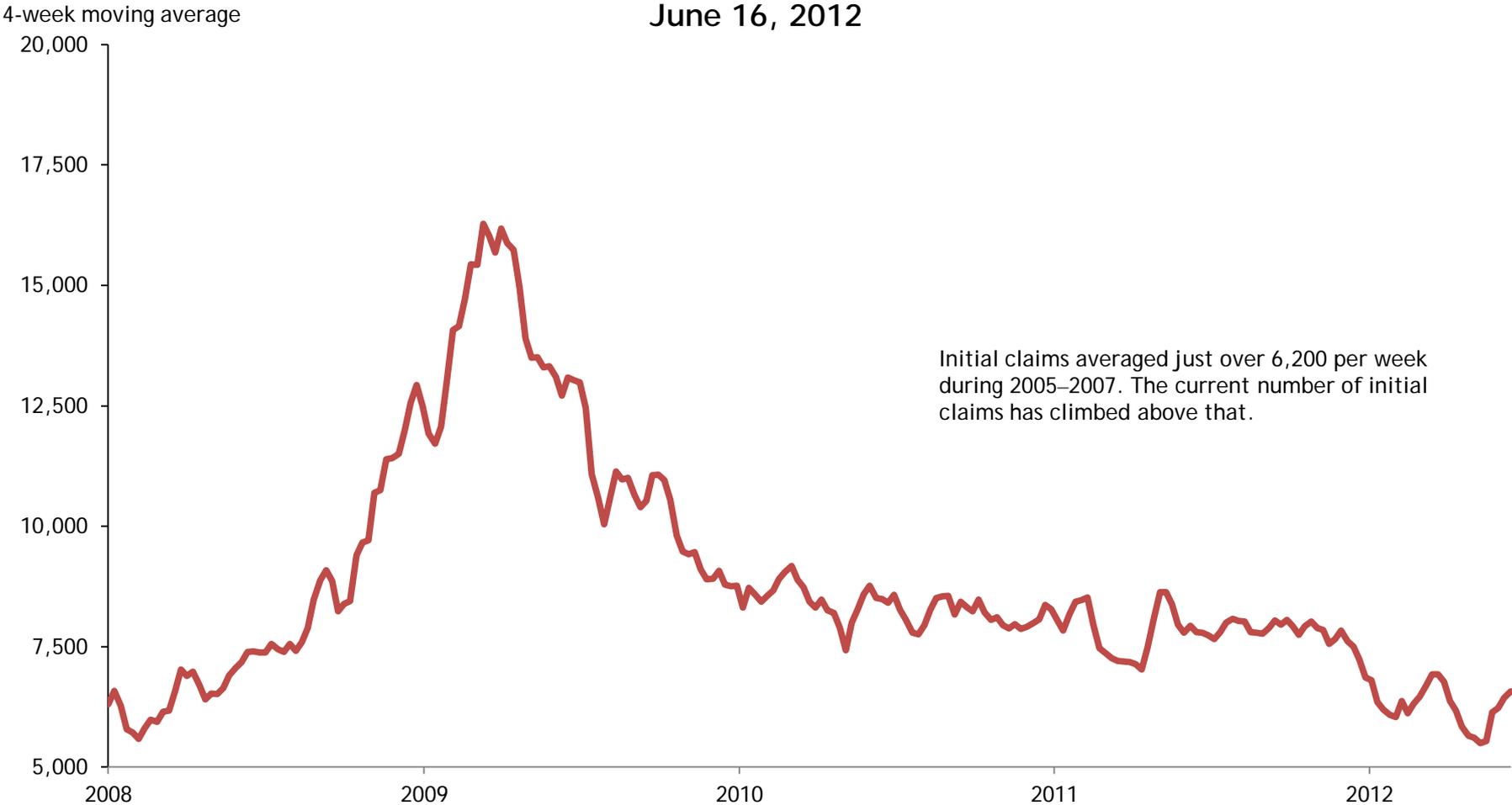


Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	8.2	9.0	4.6
Tennessee	7.9	9.4	4.6
Chattanooga	7.4	8.3	4.4
Clarksville	8.4	9.8	5.7
Cleveland	8.2	9.2	4.9
Jackson	8.3	9.7	5.6
Johnson City	7.2	8.3	4.8
Kingsport-Bristol	7.0	7.9	4.8
Knoxville	6.3	7.2	4.1
Memphis	8.8	9.9	5.8
Morristown	9.6	11.0	6.1
Nashville	6.7	8.0	4.2

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

After decreasing during much of the second quarter of this year, initial claims have increased since mid-May.

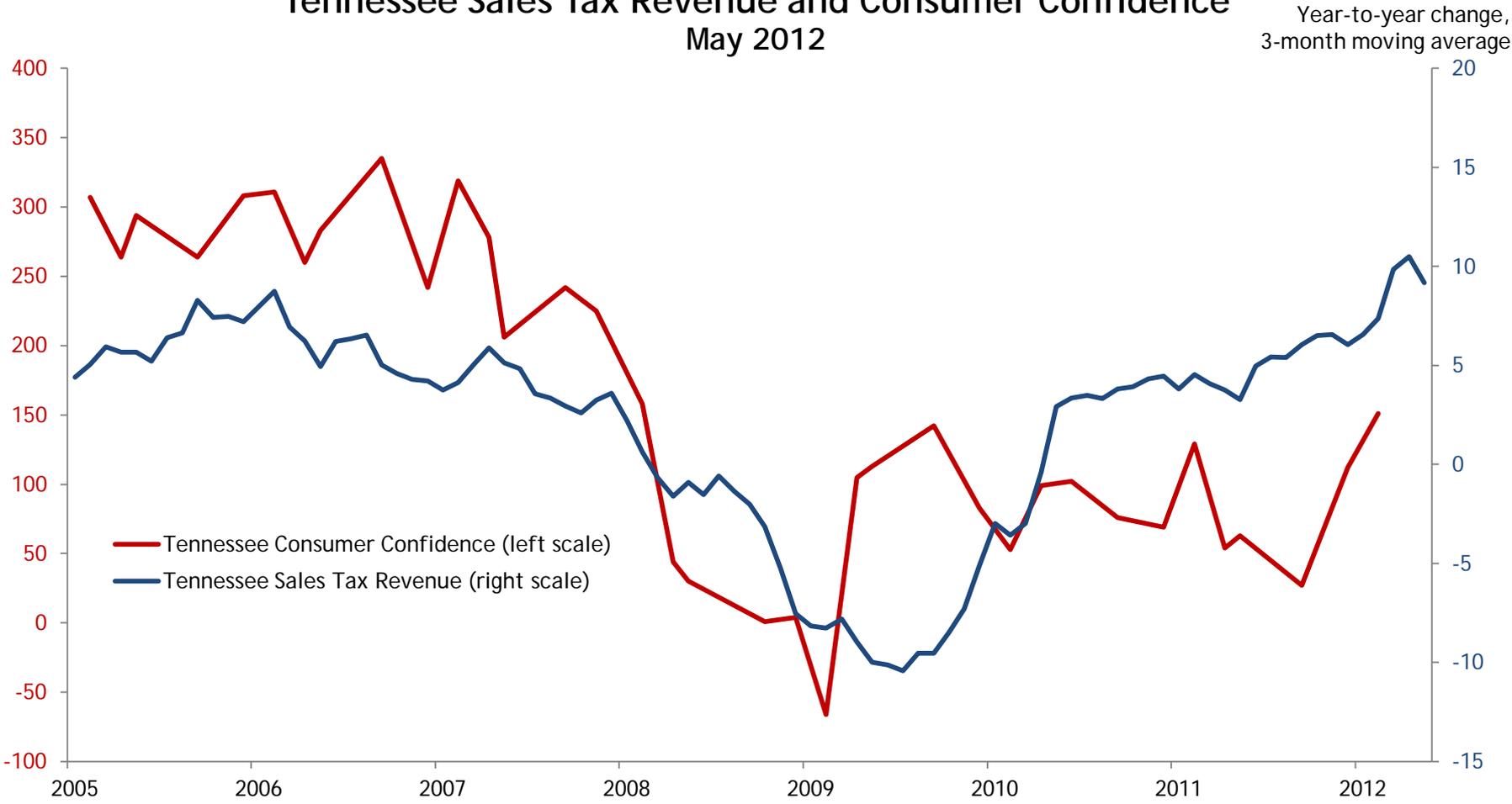
Initial Unemployment Insurance Claims: Tennessee June 16, 2012



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
May 2012



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

Regional manufacturing activity decelerated in May, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. Tennessee's component of the Southeast PMI was 60, higher than the regional measure of 57.9.

Southeast Purchasing Managers Index
May 2012



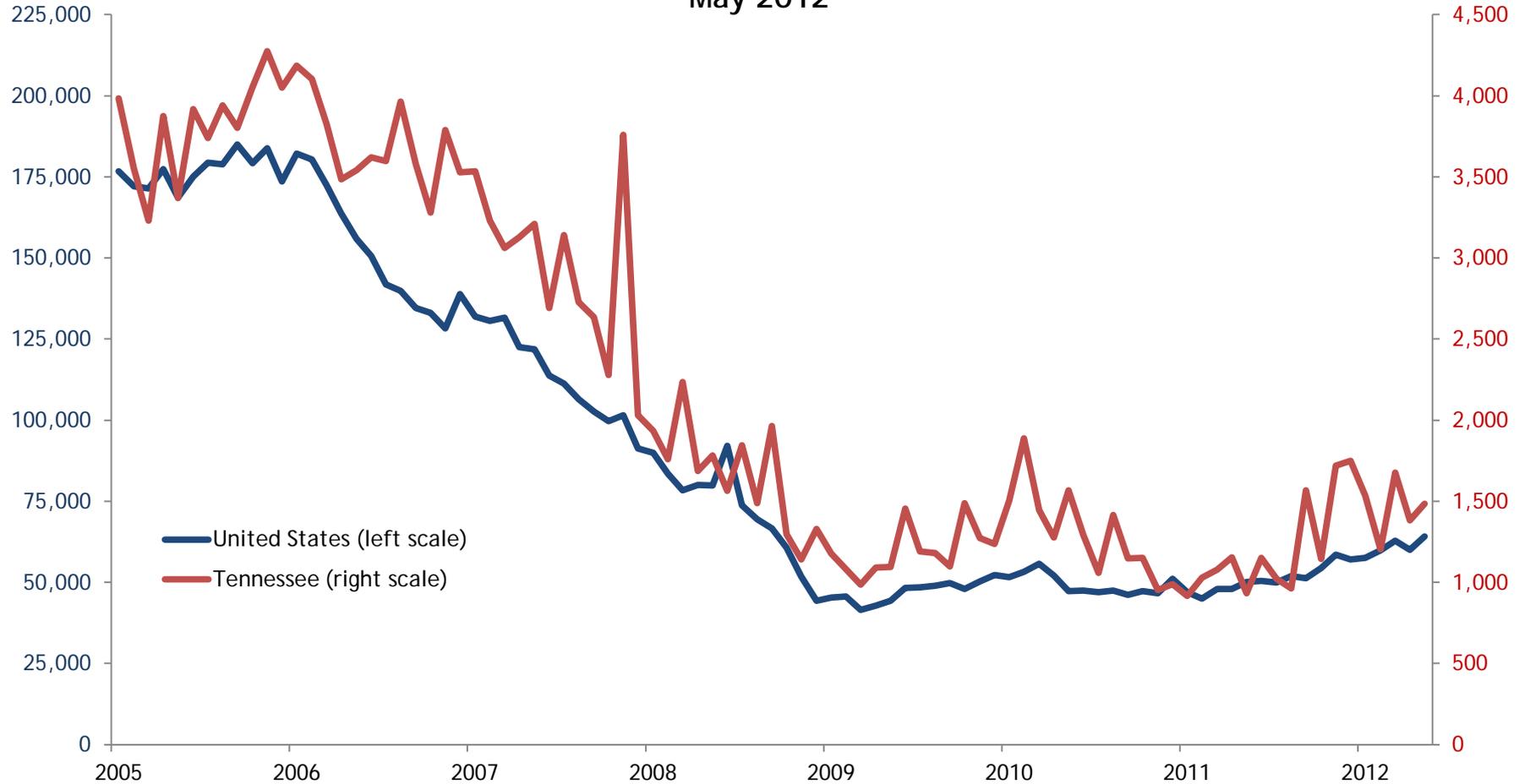
The Tennessee component of the SE PMI was 60 in May 2012.

Note: 50+ = Expansion

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

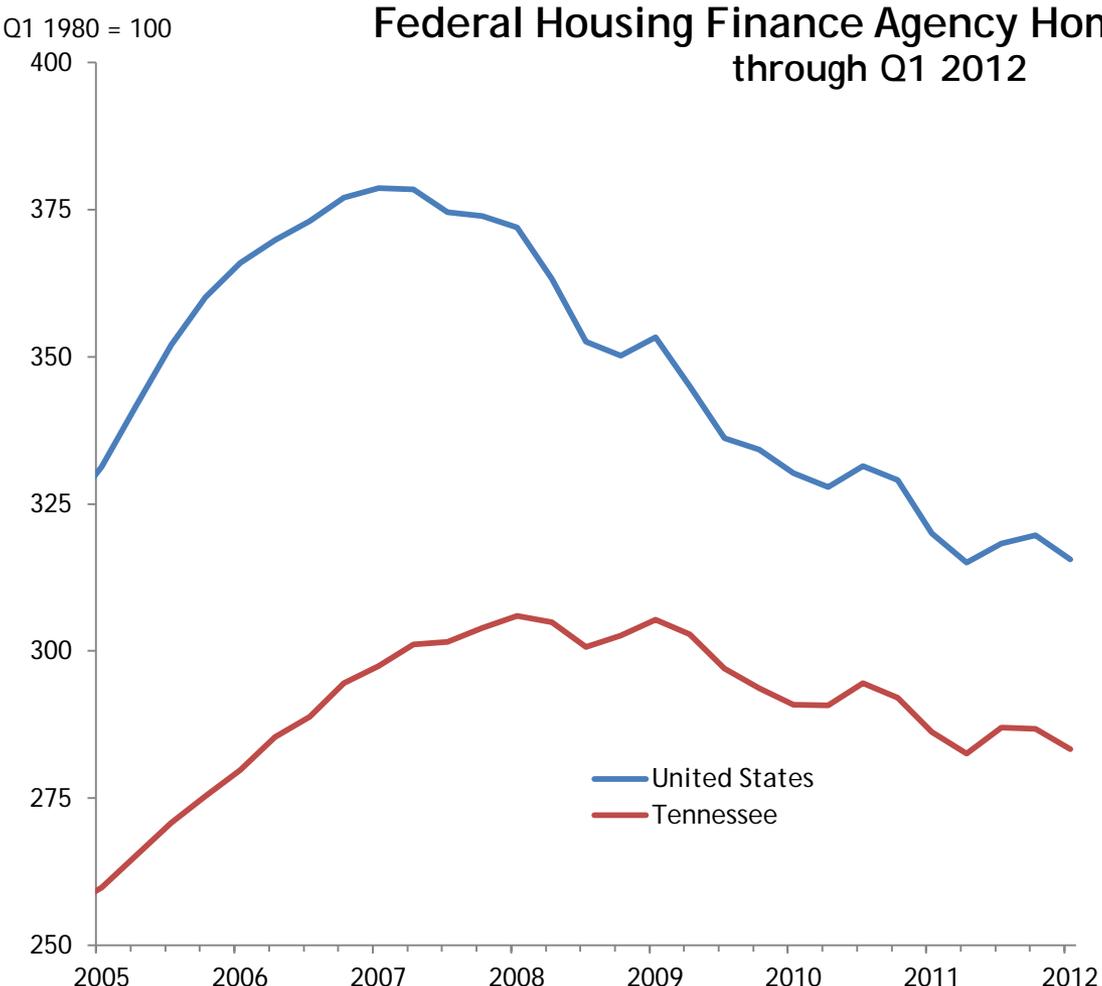
New home construction permits for the United States and Tennessee remain at historically low levels.

New Residential Home Construction Permits May 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.



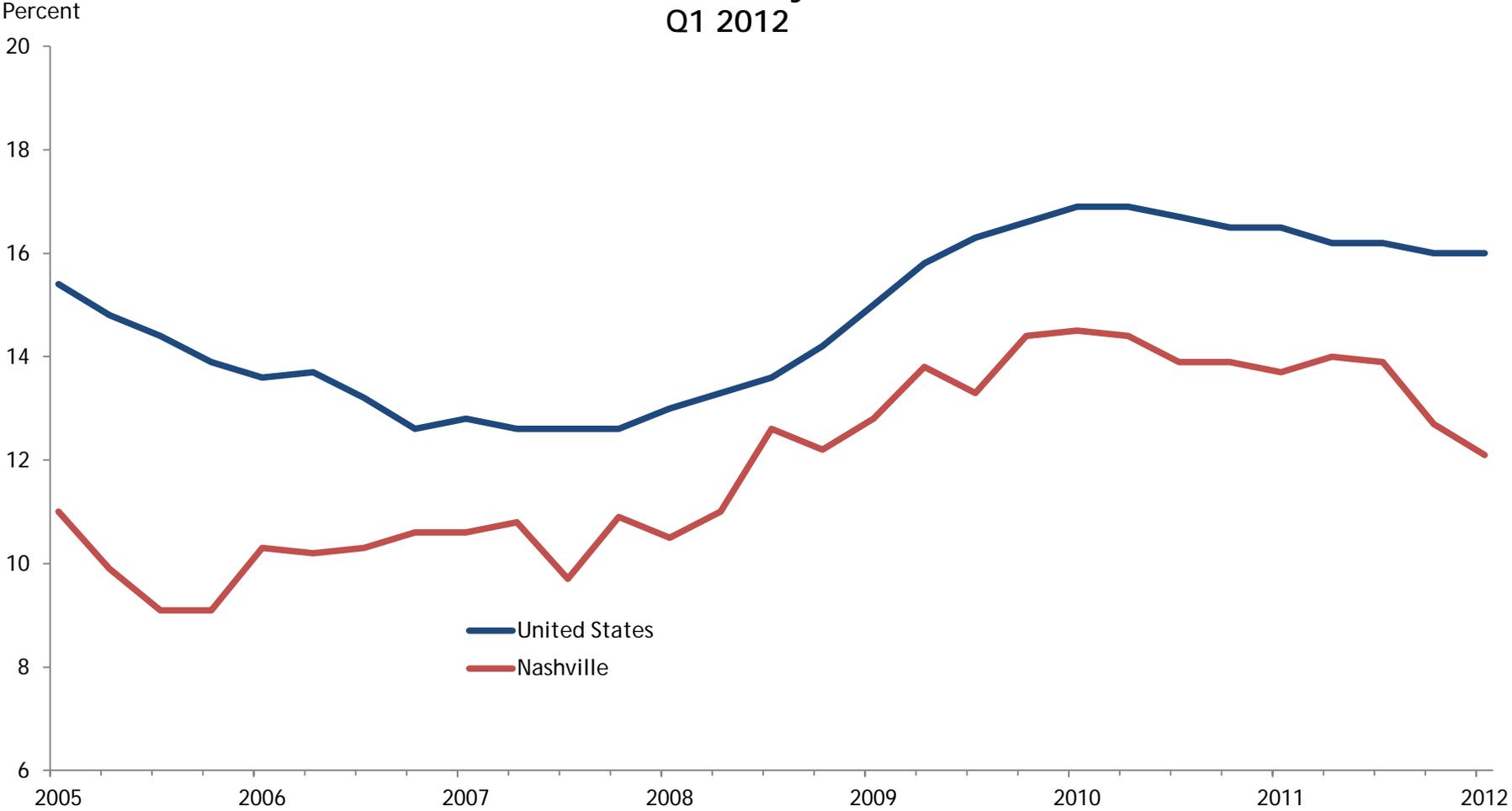
FHFA House Price Index: Q1 2012	1-yr % change	5-yr % change	10-yr % change
United States	-1.4	-16.7	20.8
Tennessee	-1.0	-4.7	22.6
Cleveland	0.2	-3.8	22.4
Jackson	-2.7	-7.1	5.9
Johnson City	0.1	1.0	31.9
Knoxville	-0.5	-2.8	31.4
Morristown	-1.2	-5.9	25.7
Nashville	-0.5	-4.8	25.5
Chattanooga	-1.2	-4.3	24.4
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.

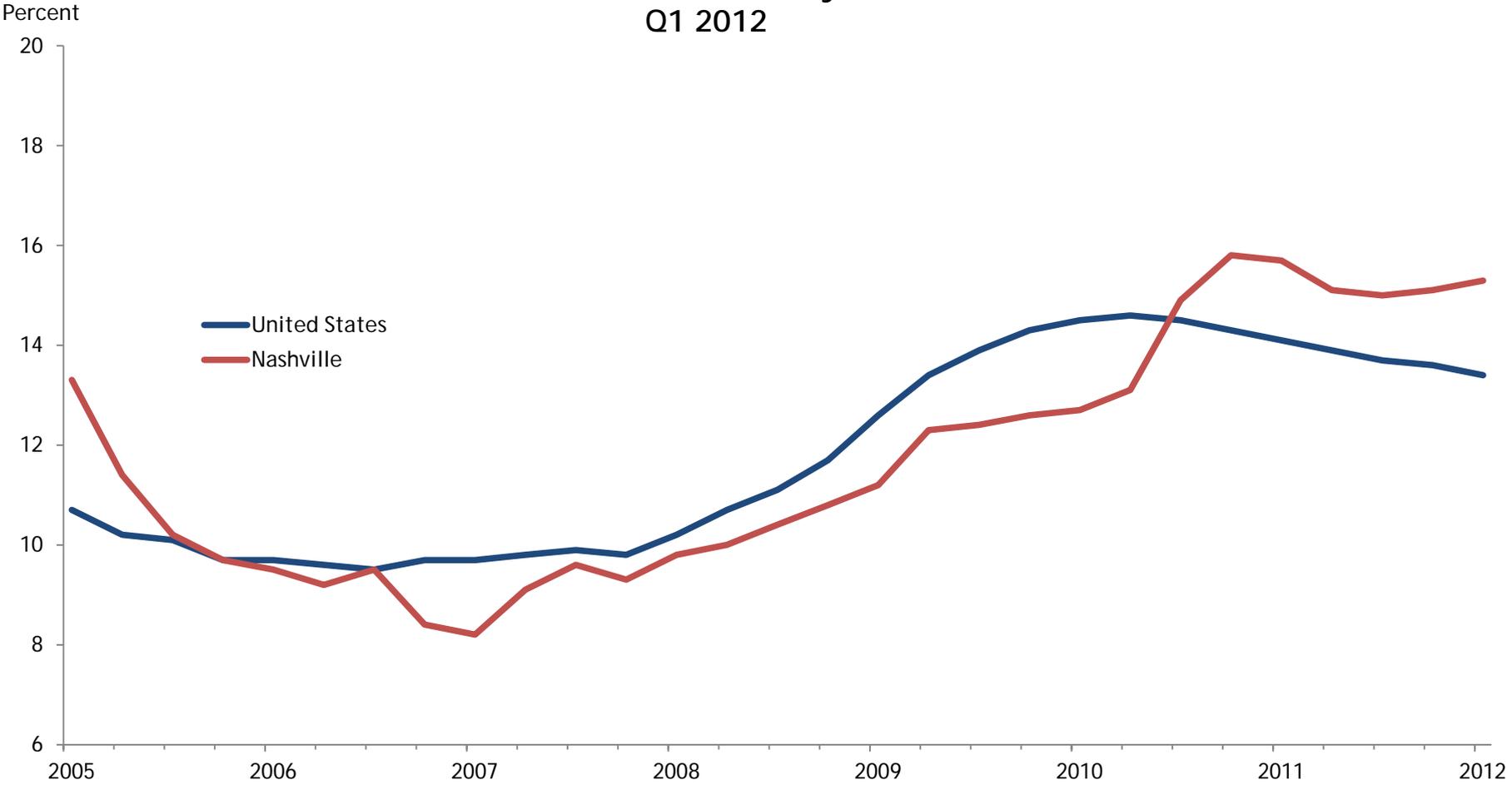
Office Vacancy Rate Q1 2012



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.