



Data Digest: Alabama

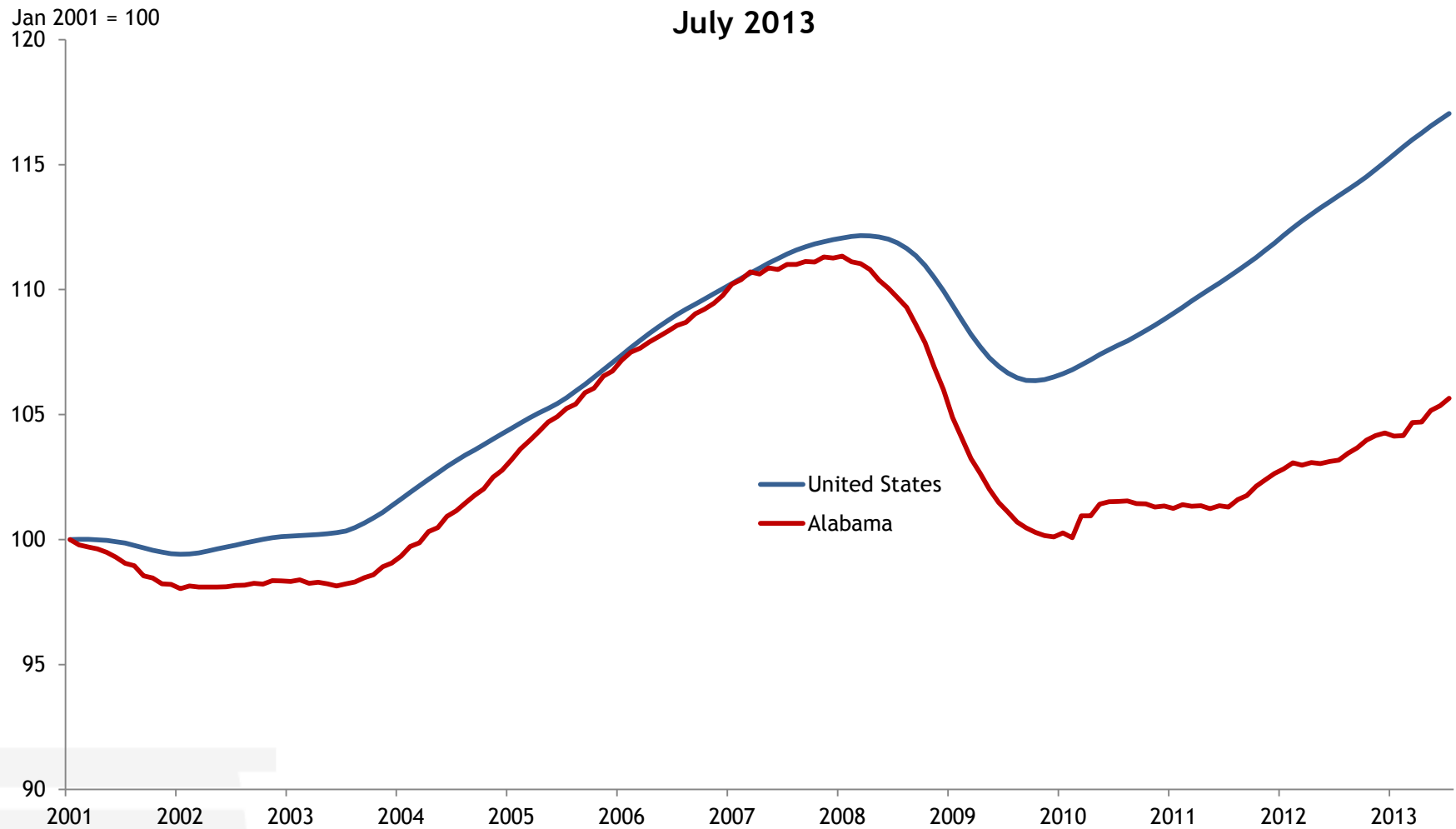
September 2013



Broad indicators of economic activity for Alabama remain well below the indicators for the United States.

[About the Coincident Economic Indicator](#)

Coincident Economic Indicator July 2013

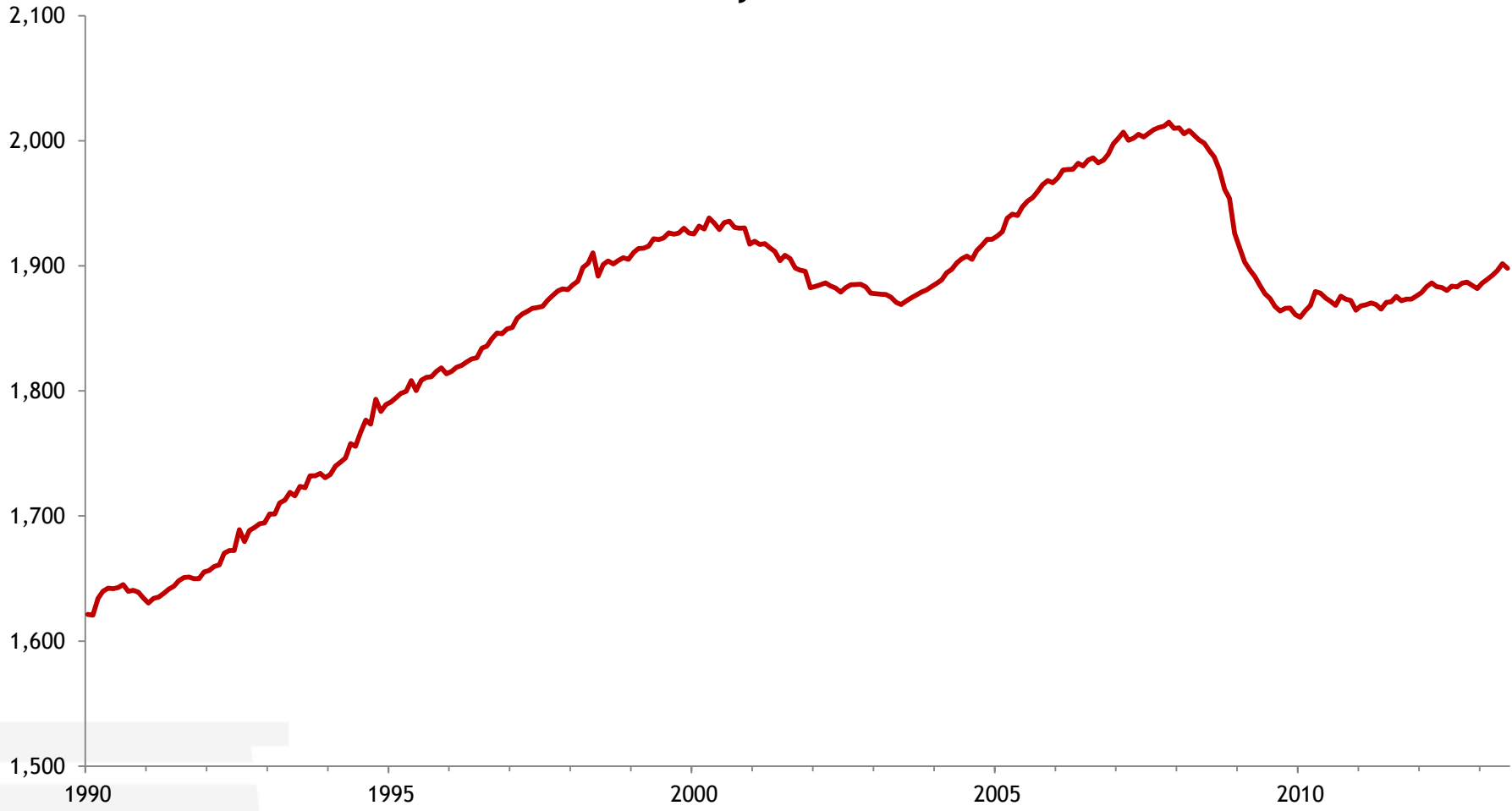


Source: Federal Reserve Bank of Philadelphia

Total employment in Alabama fell slightly in July after increasing each of the first six months of 2013. It continues to be below prerecession levels.

Alabama Payroll Employment July 2013

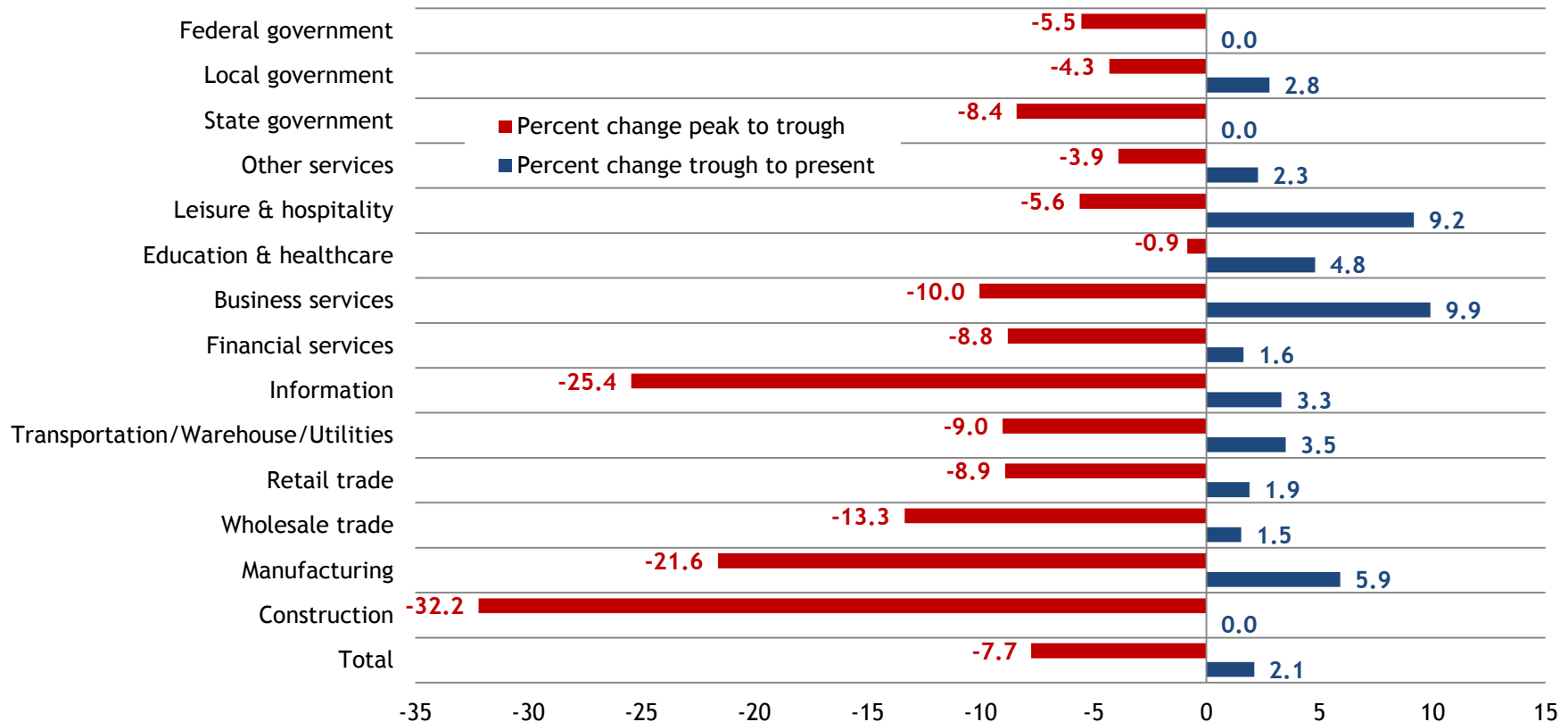
Thousands,
seasonally adjusted



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

All industries lost jobs during the downturn, with the construction industry losing more than 32 percent of its jobs. The federal government, state government, and construction sectors continued to shed jobs in July.

Employment Loss and Gain by Industry: Alabama July 2013



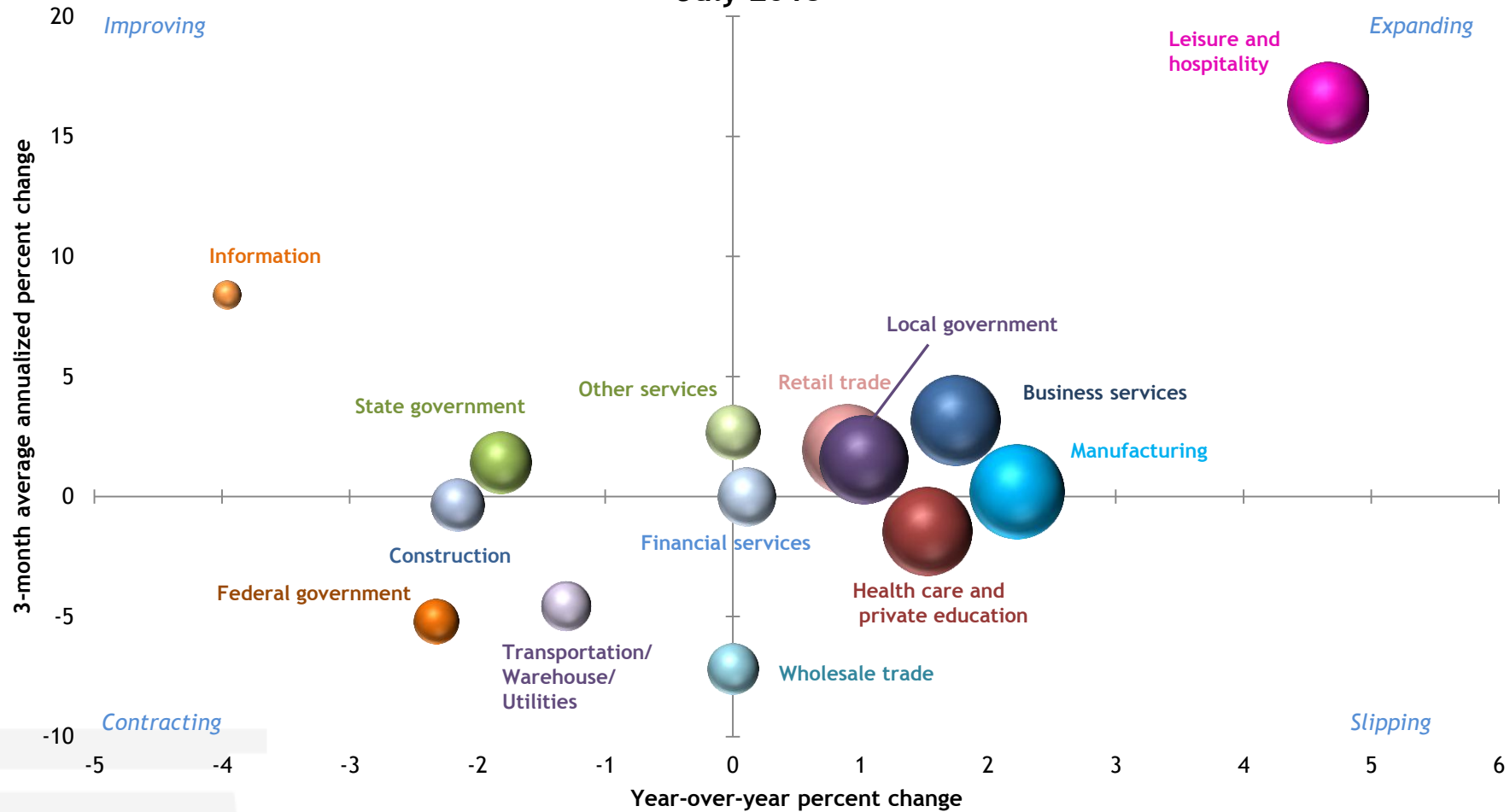
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

Led by leisure and hospitality, several of Alabama's larger employment sectors experienced expanding momentum in July. Federal government, transportation/warehouse/utilities, and construction contracted and were the weakest sectors.

[About Employment Momentum](#)

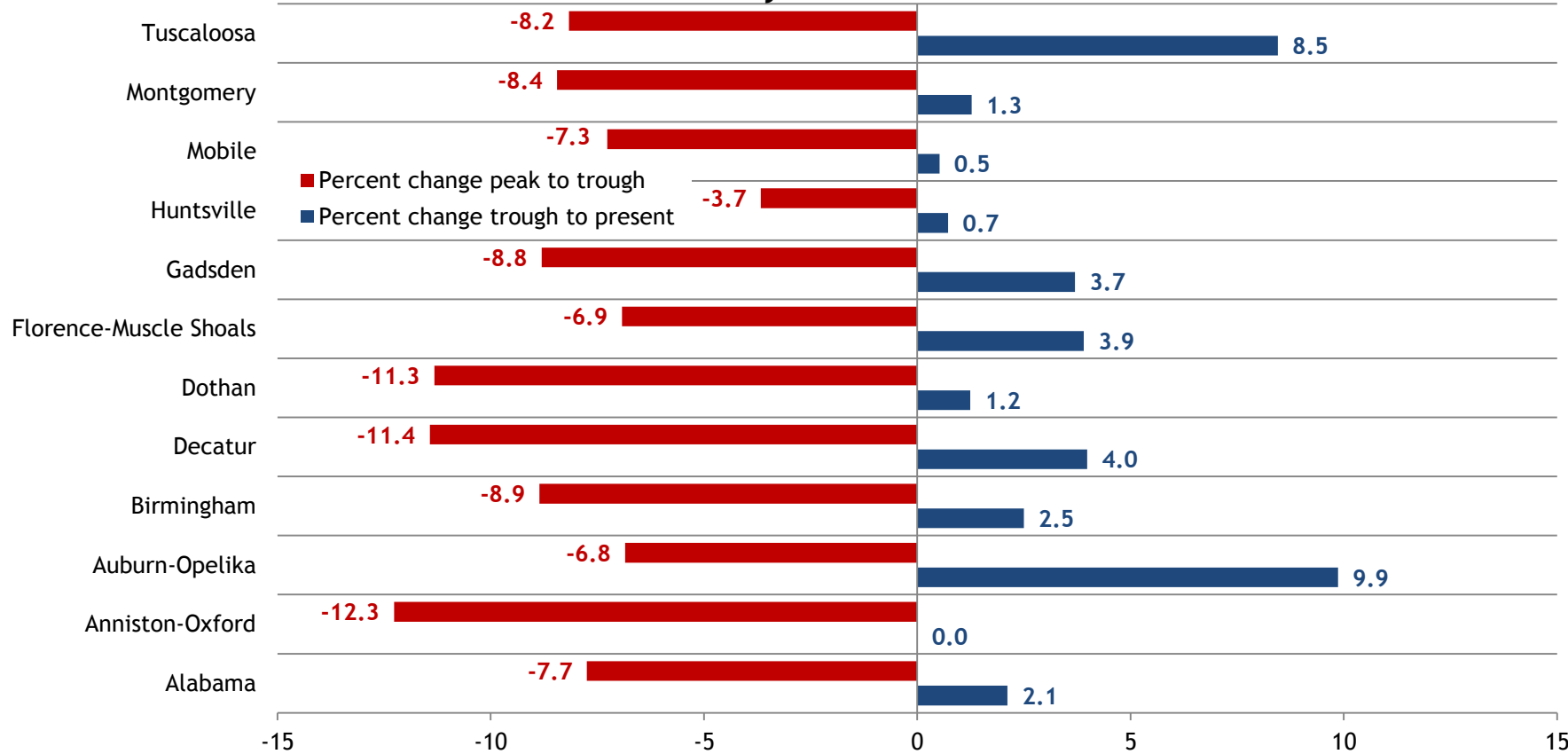
Employment Momentum by Industry: Alabama July 2013



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

Job losses occurred throughout the state during the downturn, but many of Alabama’s metro areas have slowly begun to rebound. Auburn-Opelika and Tuscaloosa have regained the largest percentage of jobs while Anniston-Oxford continued to lose jobs in July.

Employment Loss and Gain by Metro Area: Alabama July 2013



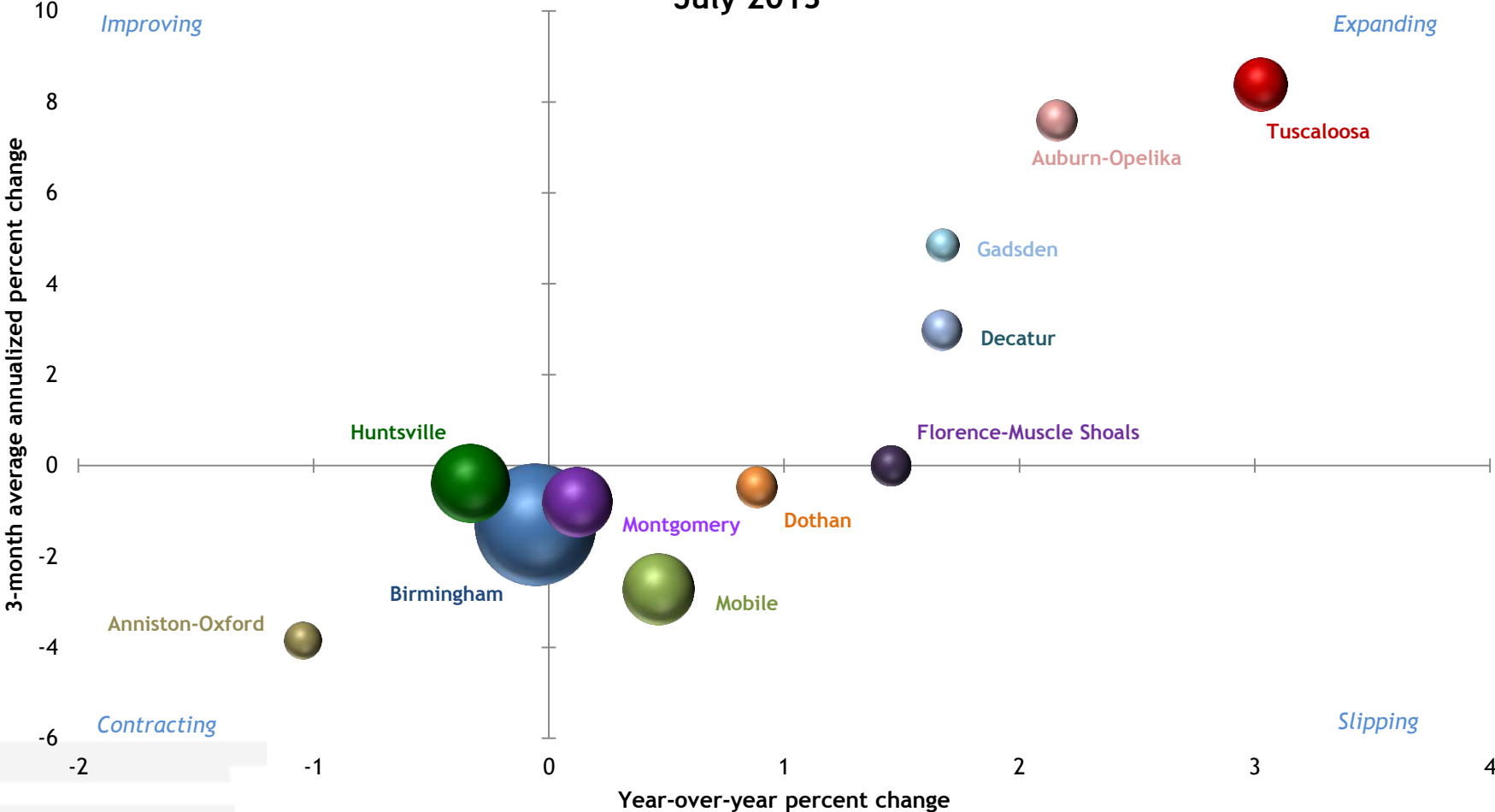
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these metro areas. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these metro areas; in this instance “trough to present” is the percent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

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

Employment momentum in four of Alabama's smaller metro areas expanded in July while momentum in Birmingham and the other metro areas either slipped or contracted.

[About Employment Momentum](#)

Employment Momentum by Metro Area: Alabama July 2013

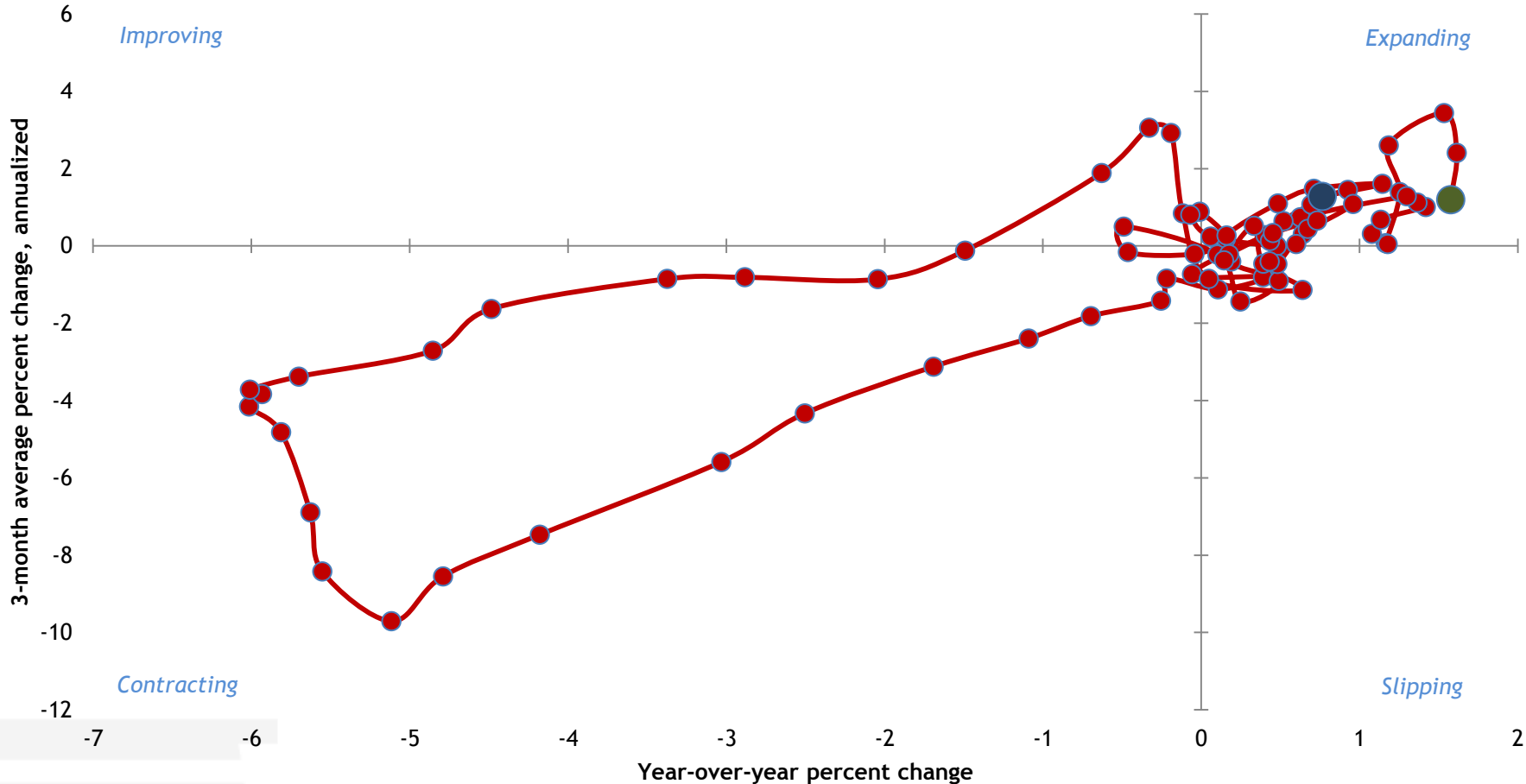


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

The state's employment momentum track varied extensively last year. It pulled back some and remained in the "expanding" quadrant in July.

[About Employment Momentum Track](#)

Employment Momentum Track January 2007-July 2013

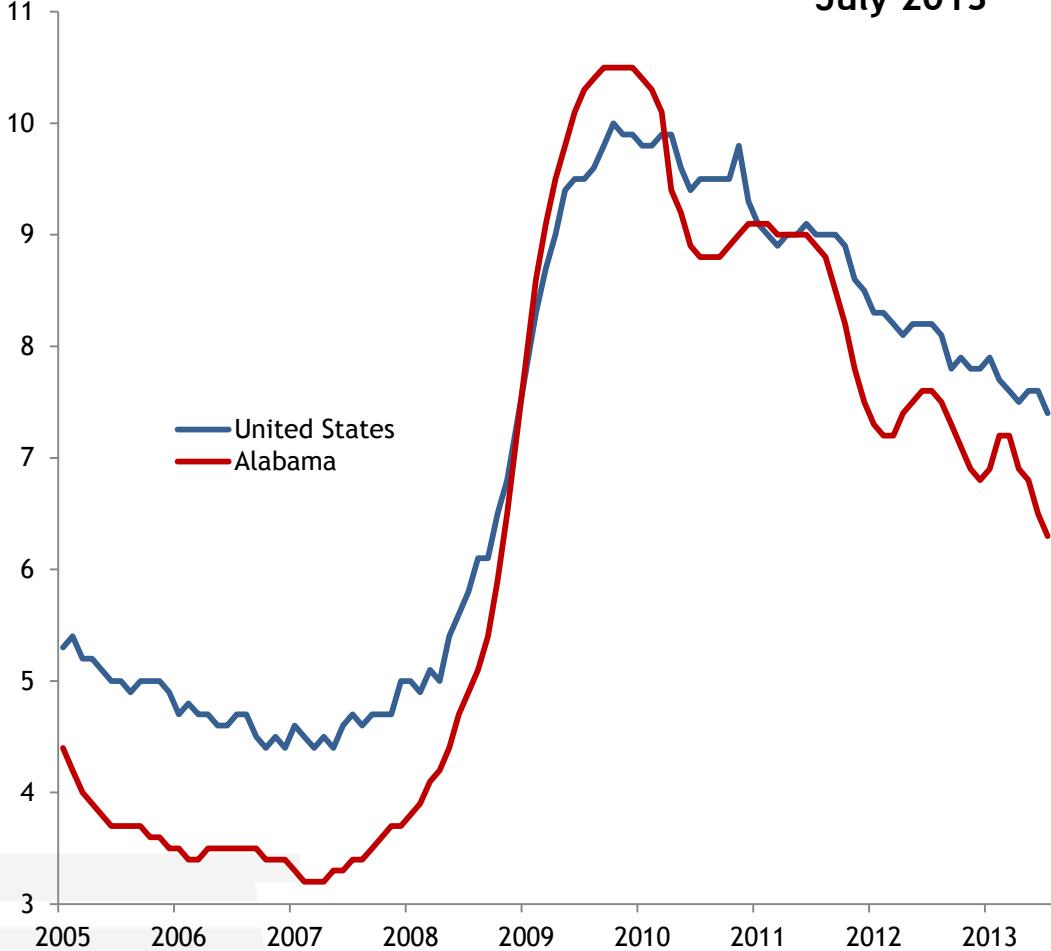


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Alabama's unemployment rate declined again in July and has been lower than the national rate since mid-2011. Rates in Alabama and each of its metro areas are below year-ago rates.

Unemployment Rates
July 2013

Percent of labor force



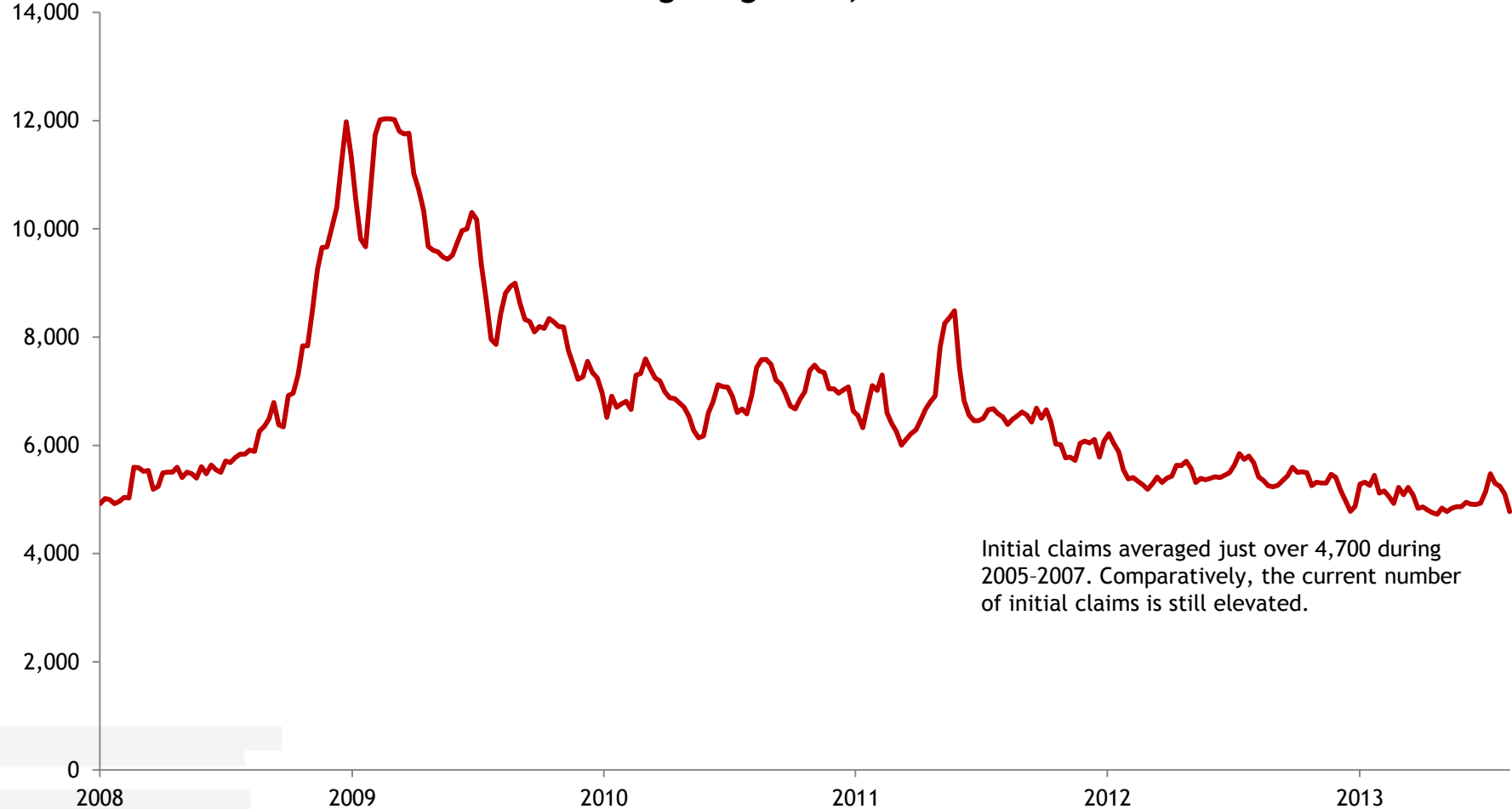
Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.4	8.2	4.6
Alabama	6.3	7.6	3.3
Anniston-Oxford	7.8	8.8	3.4
Auburn-Opelika	5.5	7.3	3.4
Birmingham	5.6	7.1	3.2
Decatur	6.2	8.1	3.5
Dothan	6.1	7.9	3.2
Florence-Muscle Shoals	6.4	8.0	4.1
Gadsden	6.4	8.1	4.0
Huntsville	5.6	7.0	2.9
Mobile	7.5	9.5	3.5
Montgomery	6.7	8.4	3.6
Tuscaloosa	6.9	8.0	3.2

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

The number of individuals filing initial claims for unemployment insurance has declined over the past month.

Initial Unemployment Insurance Claims: Alabama through August 10, 2013

4-week moving average



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

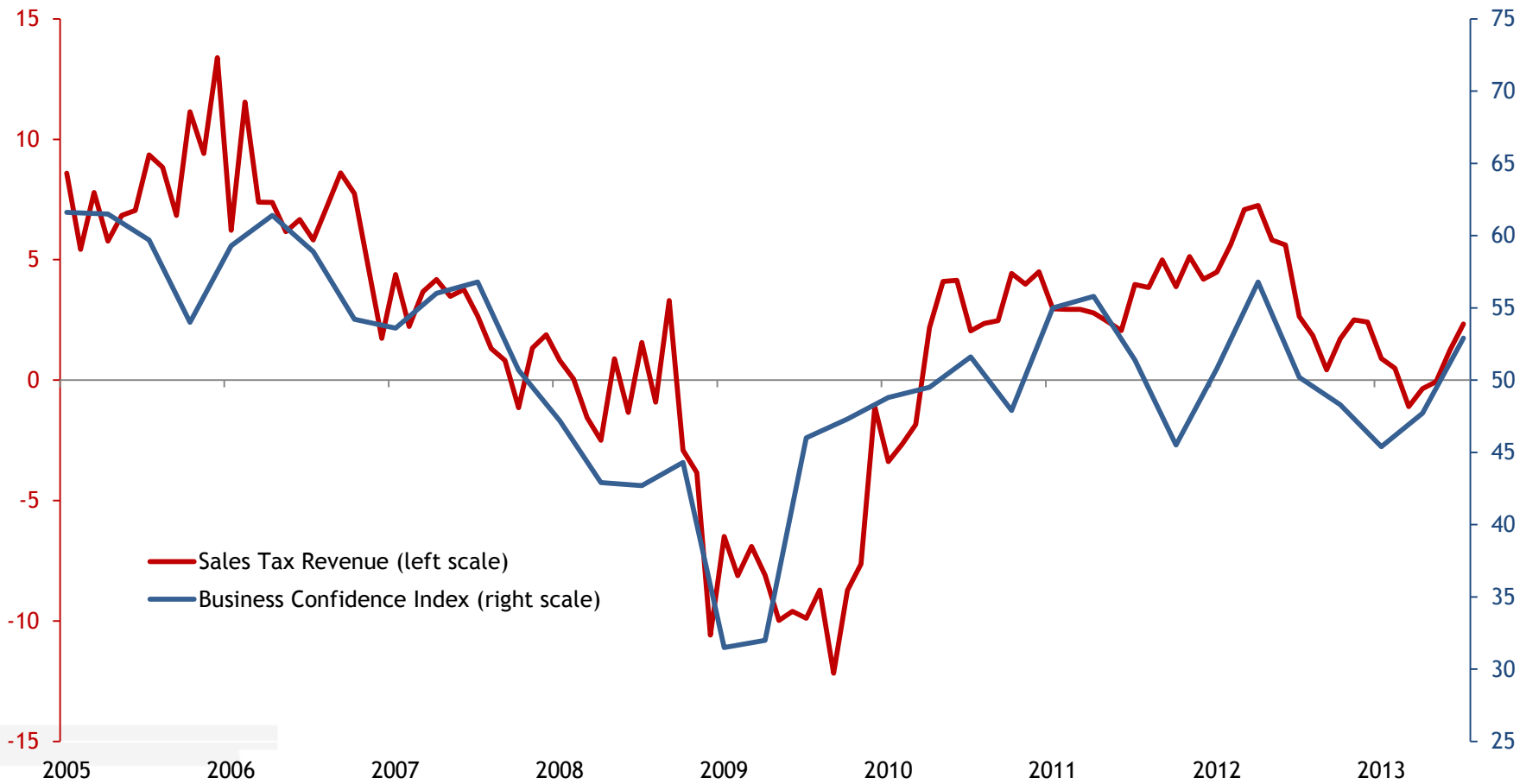
Source: U.S Department of Labor–Employment and Training Administration, Haver Analytics

Business sentiment, as measured by the University of Alabama's third quarter 2013 survey, registered the first optimistic reading since the third quarter of 2012. For the second consecutive month, sales tax revenue experienced positive year-over-year growth as well.

Alabama Sales Tax Revenue and Business Confidence July 2013

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

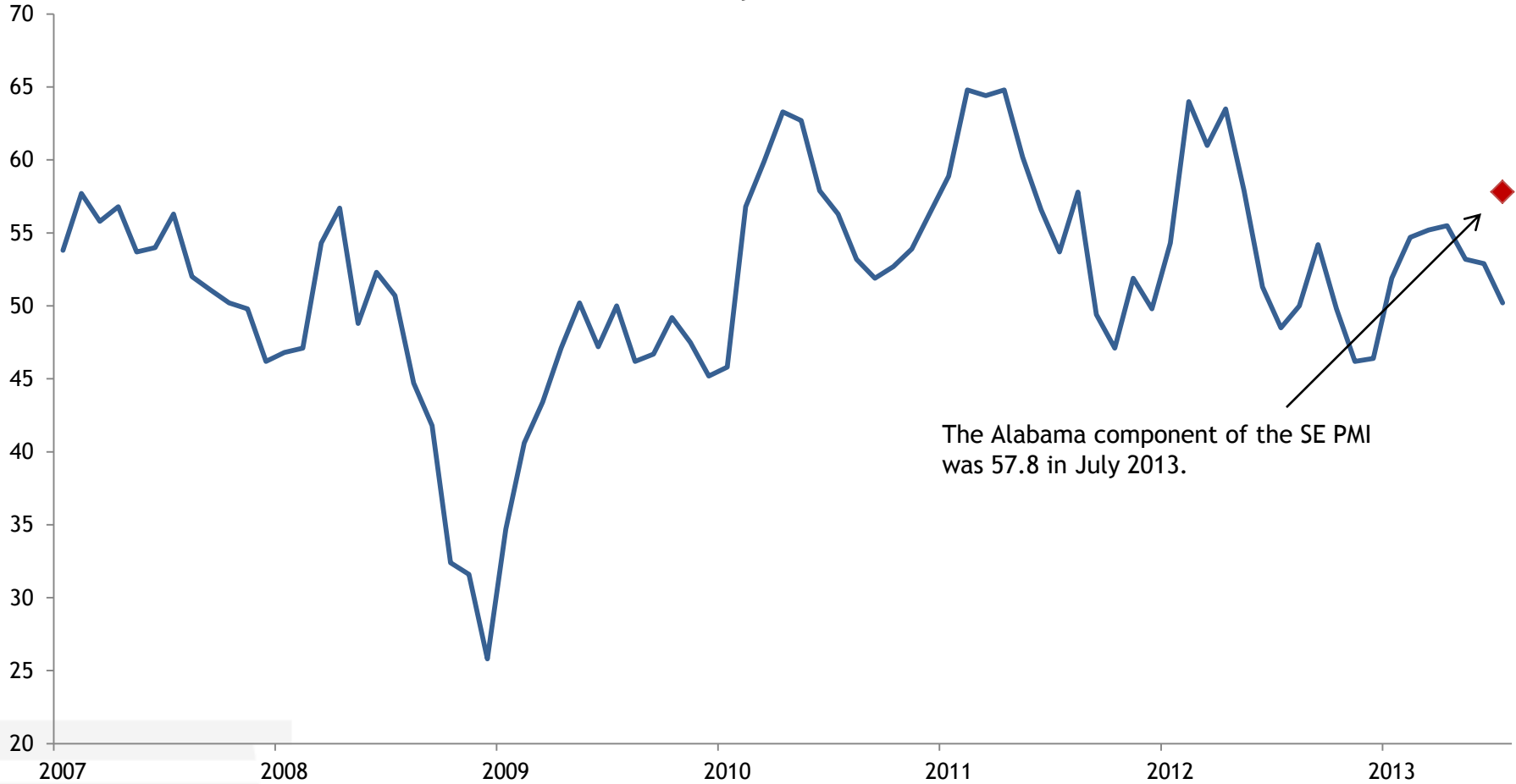
Index



Note: Sales tax data are through July 2013; Business Confidence Index as of third quarter 2013.
Source: Alabama Department of Revenue, University of Alabama Center for Business and Economic Research, Federal Reserve Bank of Atlanta

Regional manufacturing activity slowed, but remained in expansionary territory in July, according to the Southeast Purchasing Managers Index (PMI) produced by Kennesaw State University. The overall regional reading was 50.2; Alabama's component of the PMI increased by more than 12 points and, at 57.8, moved well into expansionary territory in July.

Southeast Purchasing Managers Index July 2013



The Alabama component of the SE PMI was 57.8 in July 2013.

2007

2008

2009

2010

2011

2012

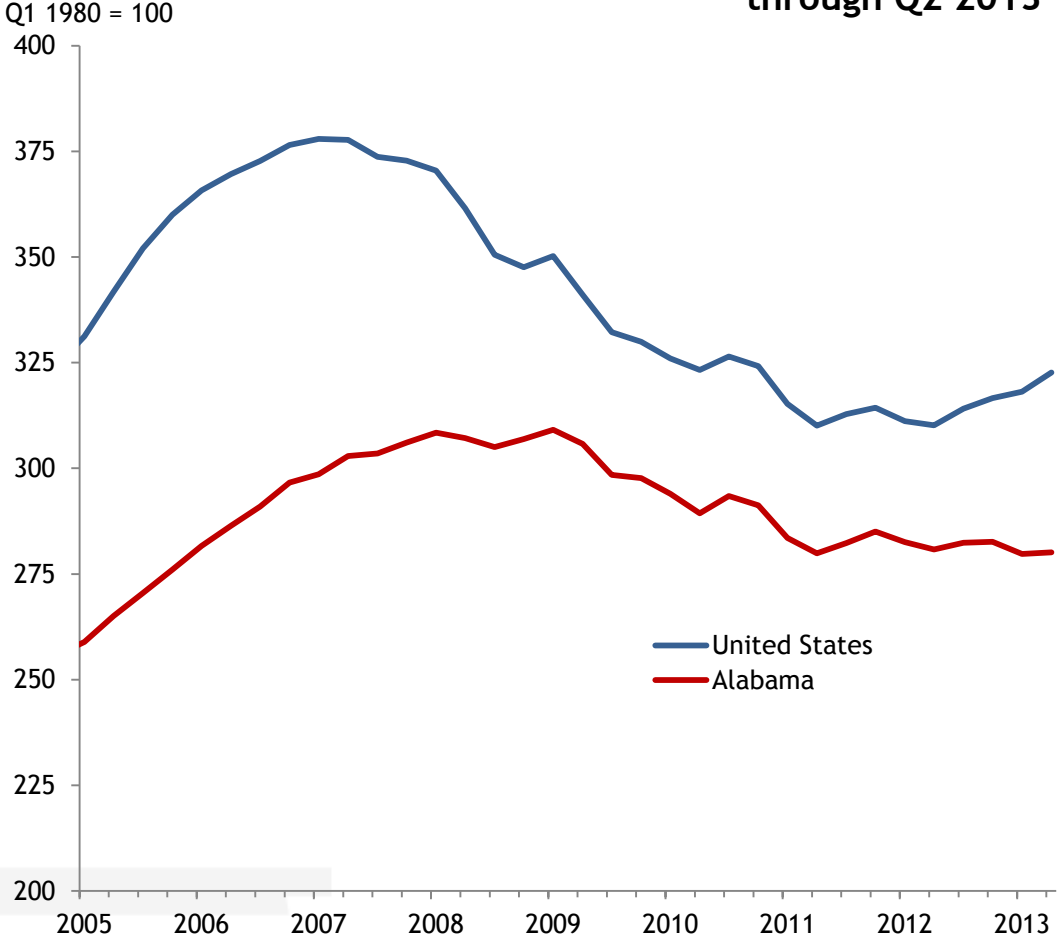
2013

Note: 50+ = Expansion

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

Home prices for Alabama have been relatively flat during 2013 even as U.S. housing prices increased for the fourth consecutive quarter.

Federal Housing Finance Agency Home Price Index through Q2 2013



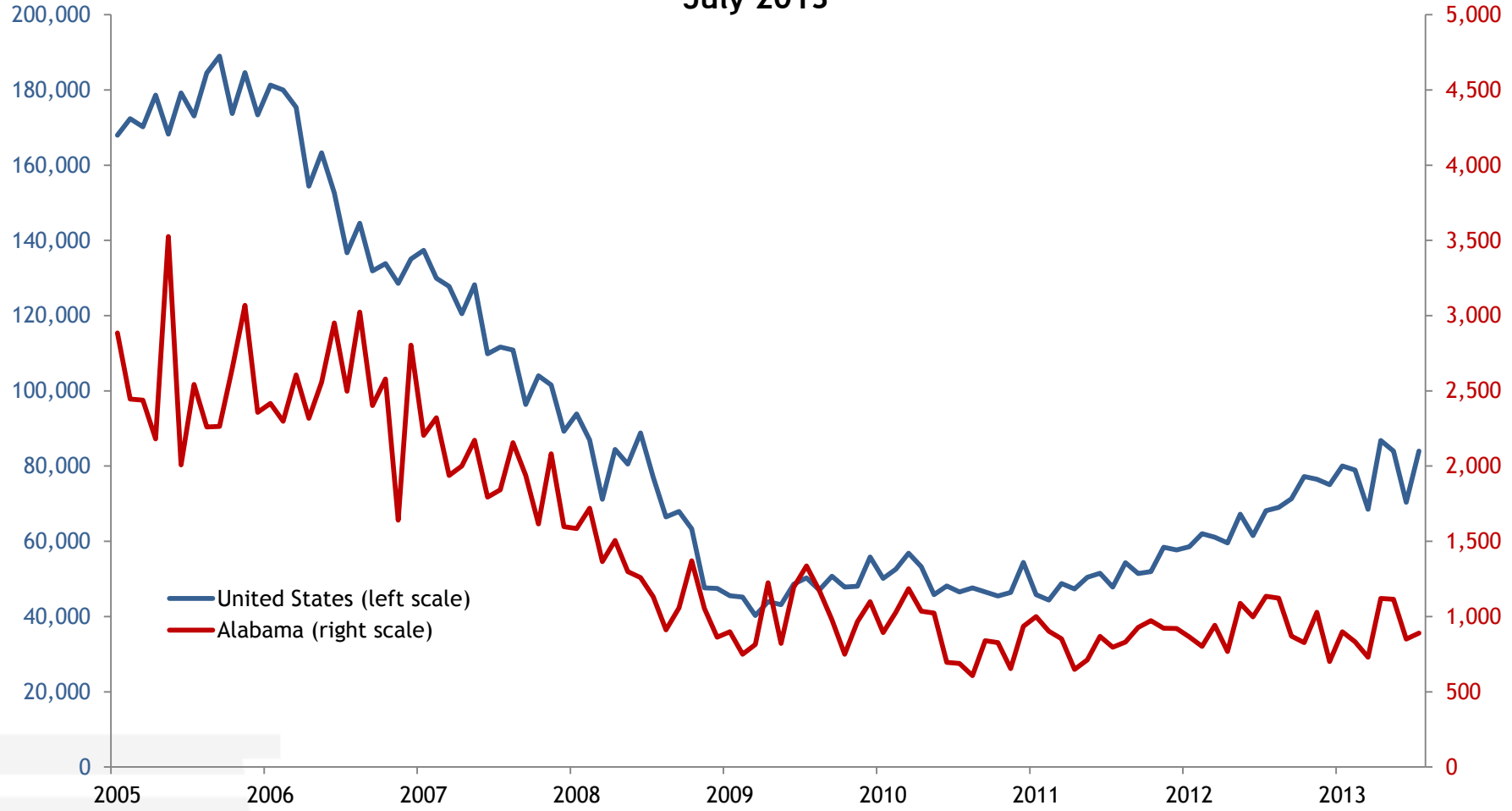
FHFA House Price Index: Q2 2013	1-yr % change	5-yr % change	10-yr % change
USA	4.0	-10.7	14.7
Alabama	-0.2	-8.8	16.6
Anniston-Oxford	2.4	-8.9	12.6
Auburn-Opelika	0.5	-11.7	17.3
Birmingham	0.5	-9.3	12.6
Decatur	-0.6	-4.6	15.2
Dothan	-0.1	-7.5	19.0
Florence-Muscle Shoals	-0.5	0.3	24.6
Gadsden	1.7	-0.5	21.9
Huntsville	-1.6	-4.2	22.4
Mobile	-2.6	-18.9	10.8
Montgomery	-0.1	-10.9	10.6
Tuscaloosa	2.3	-1.6	22.6

Source: Federal Housing Finance Agency, Haver Analytics

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

The number of new home construction permits issued in Alabama has been basically flat and remains near historically low levels of activity.

New Residential Home Construction Permits July 2013



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.