



Data Digest: Alabama

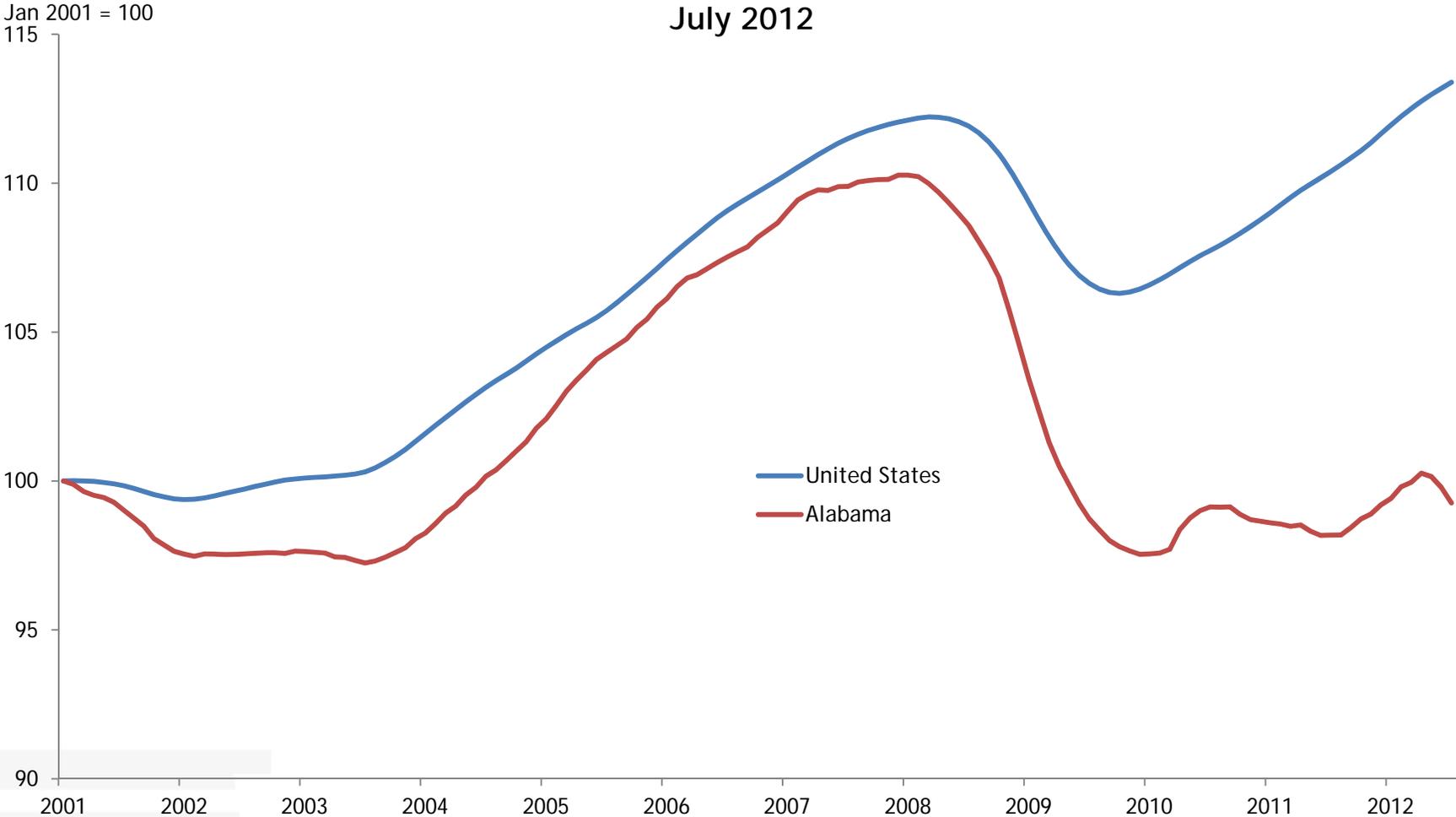
September 2012



Broad indicators of economic activity for Alabama declined further in July, even as they continued to show steady improvement for the United States.

[About the Coincident Economic Indicator](#)

Coincident Economic Indicator July 2012

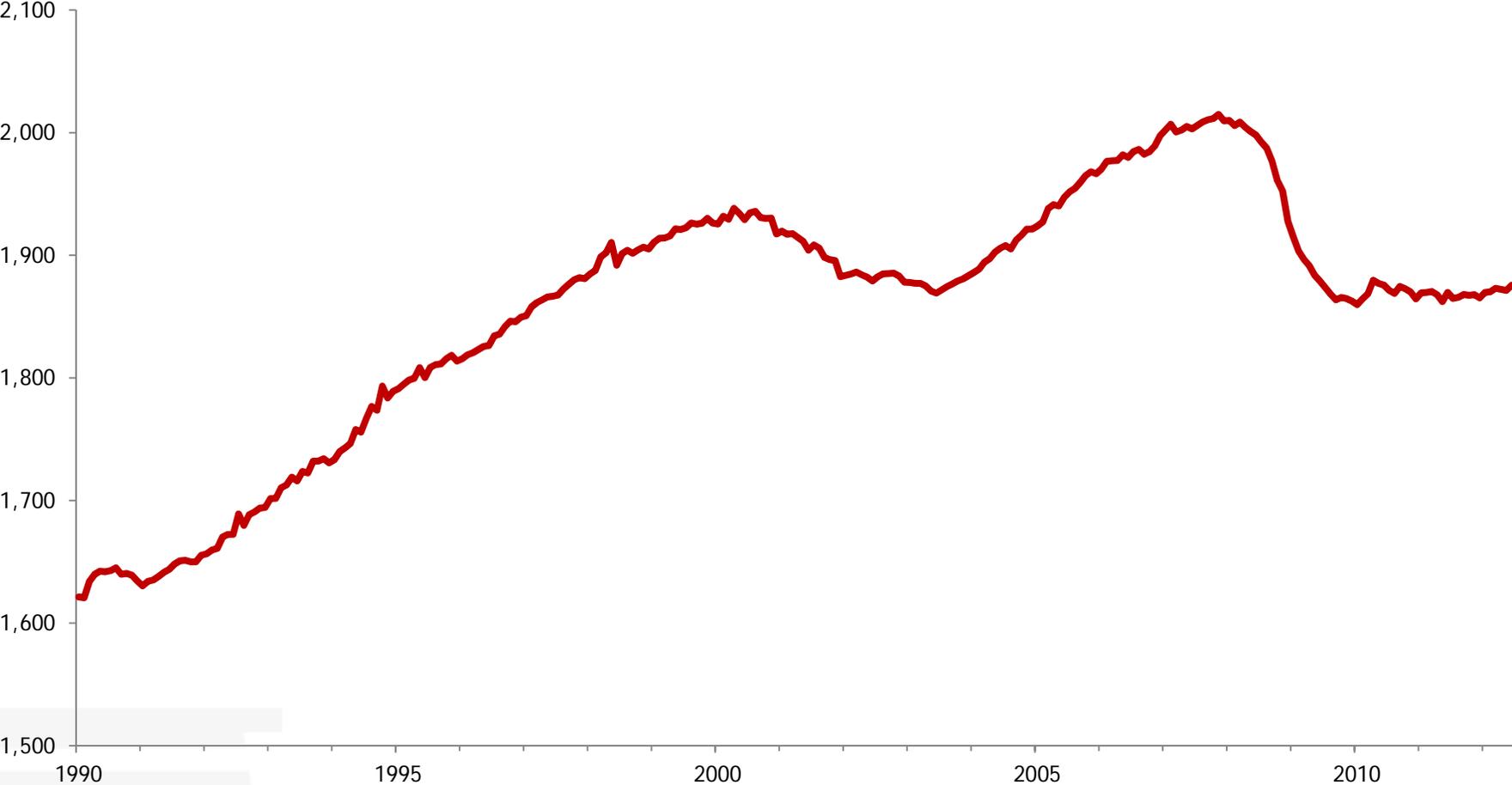


Source: Federal Reserve Bank of Philadelphia

Total employment in Alabama has stabilized near recession lows. Job gains have been minimal during the recovery.

Thousands,
seasonally adjusted

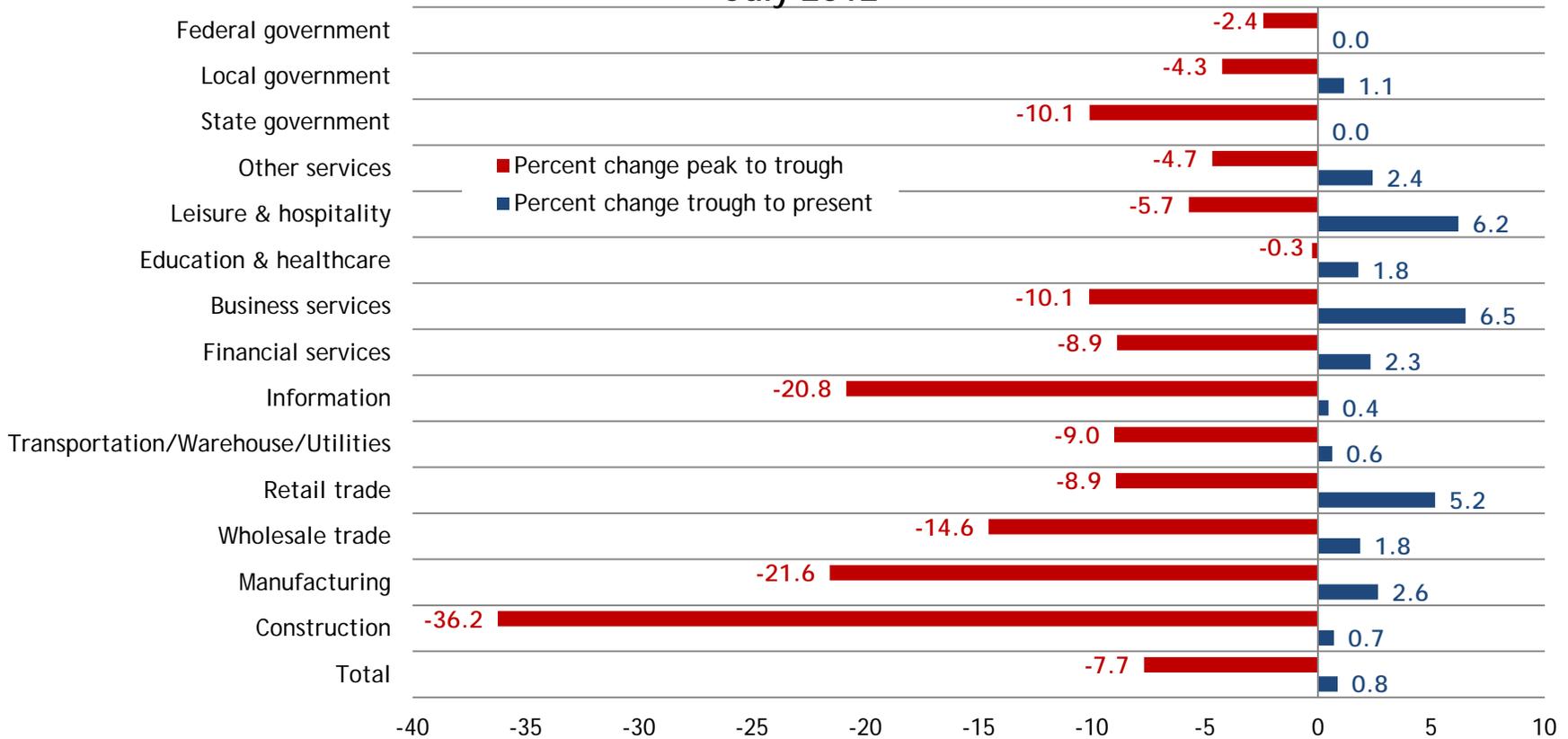
Alabama Payroll Employment July 2012



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 of its jobs. Many sectors have seen job gains since their troughs, with business services experiencing the largest increase. The federal and state government sectors continue to lose jobs.

Employment Loss and Gain by Industry: Alabama July 2012

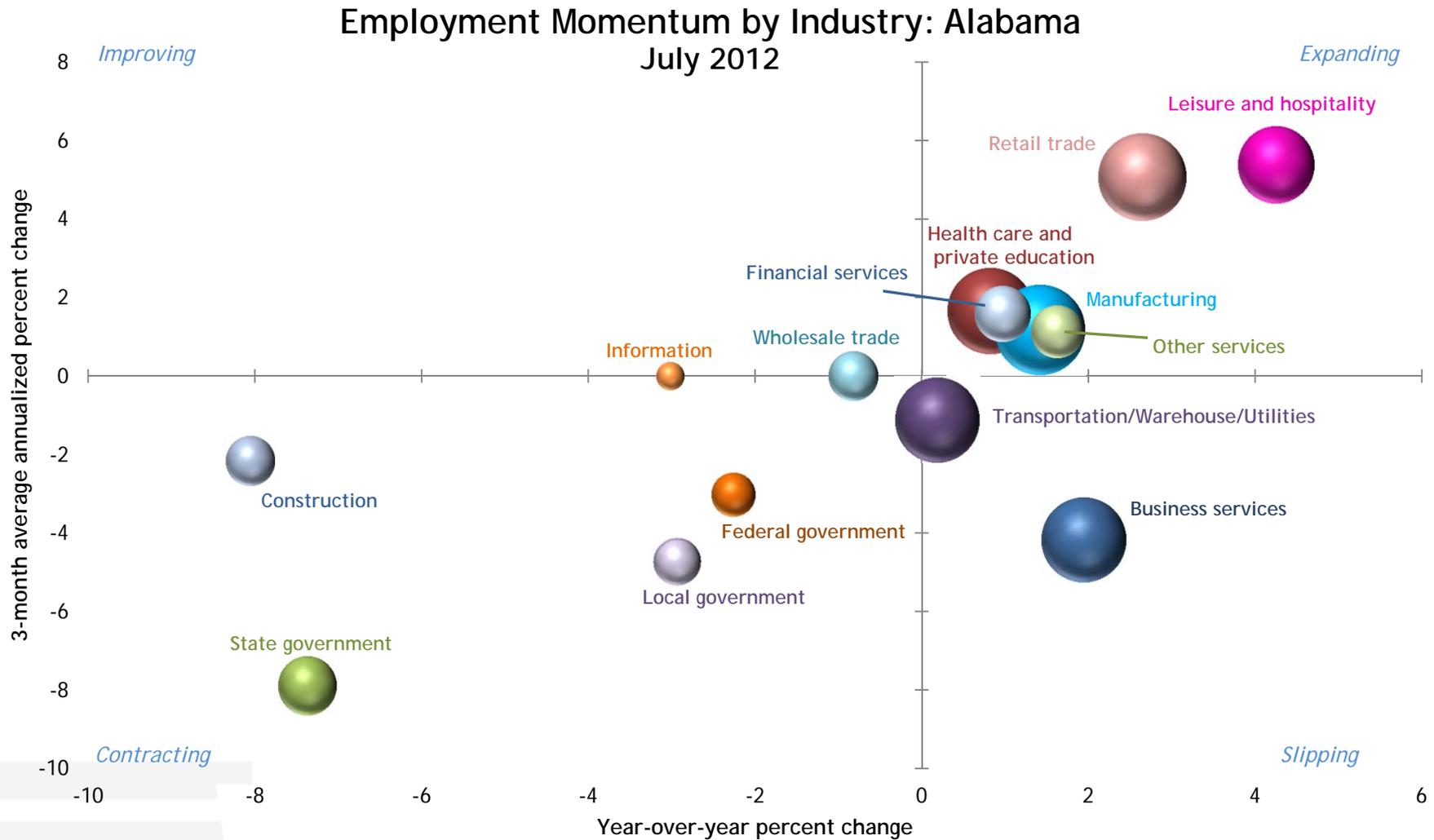


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent 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, financial services, retail trade, manufacturing, health care and private education, and other services expanded in July. Business services and transportation/warehouse/utilities slipped.

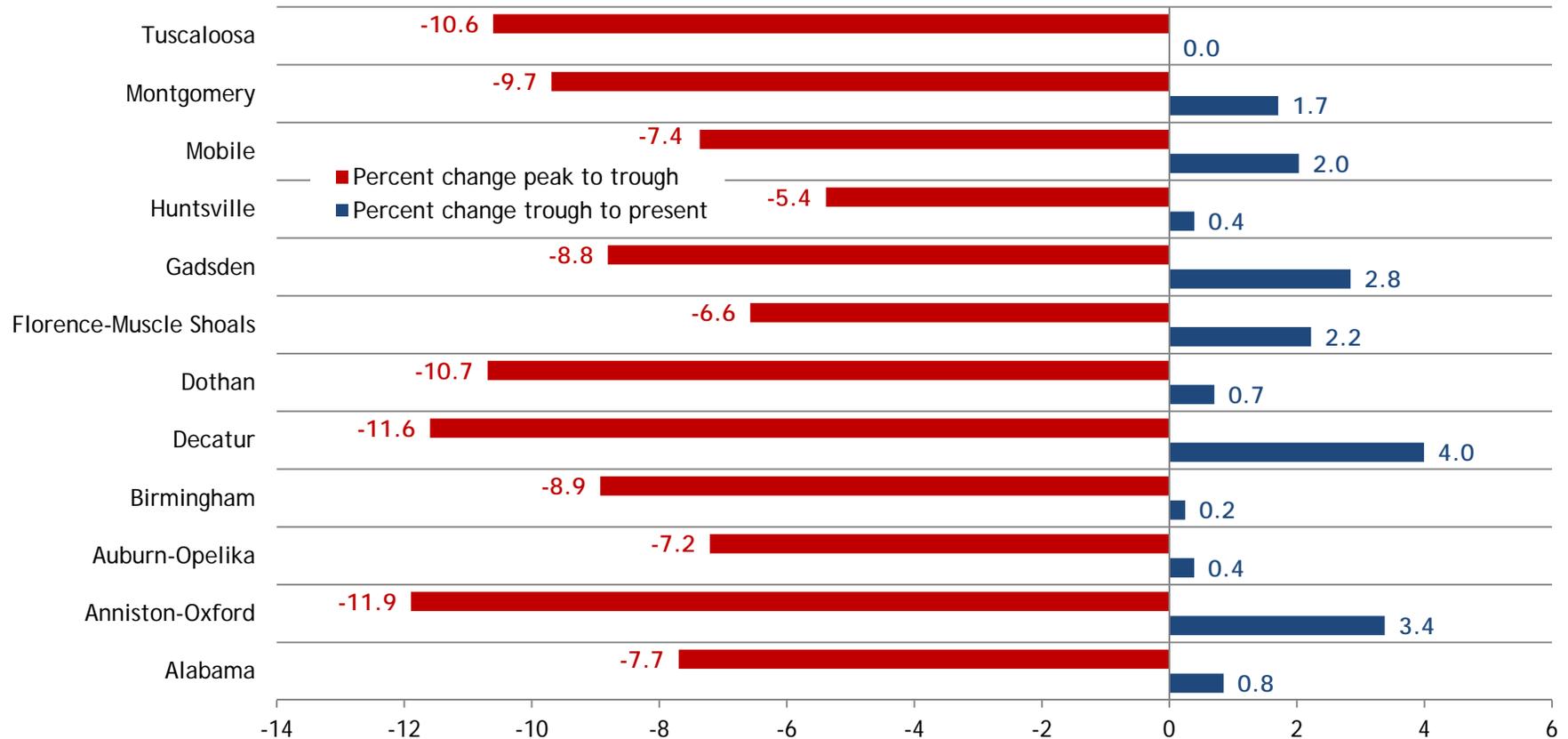
[About Employment Momentum](#)



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

Job losses occurred throughout the state during the downturn, and most areas have slowly begun to rebound. Tuscaloosa, which was possibly skewed by a decline in government employment due to seasonal layoffs, continued to shed jobs through July.

Employment Loss and Gain by Metro Area: Alabama July 2012

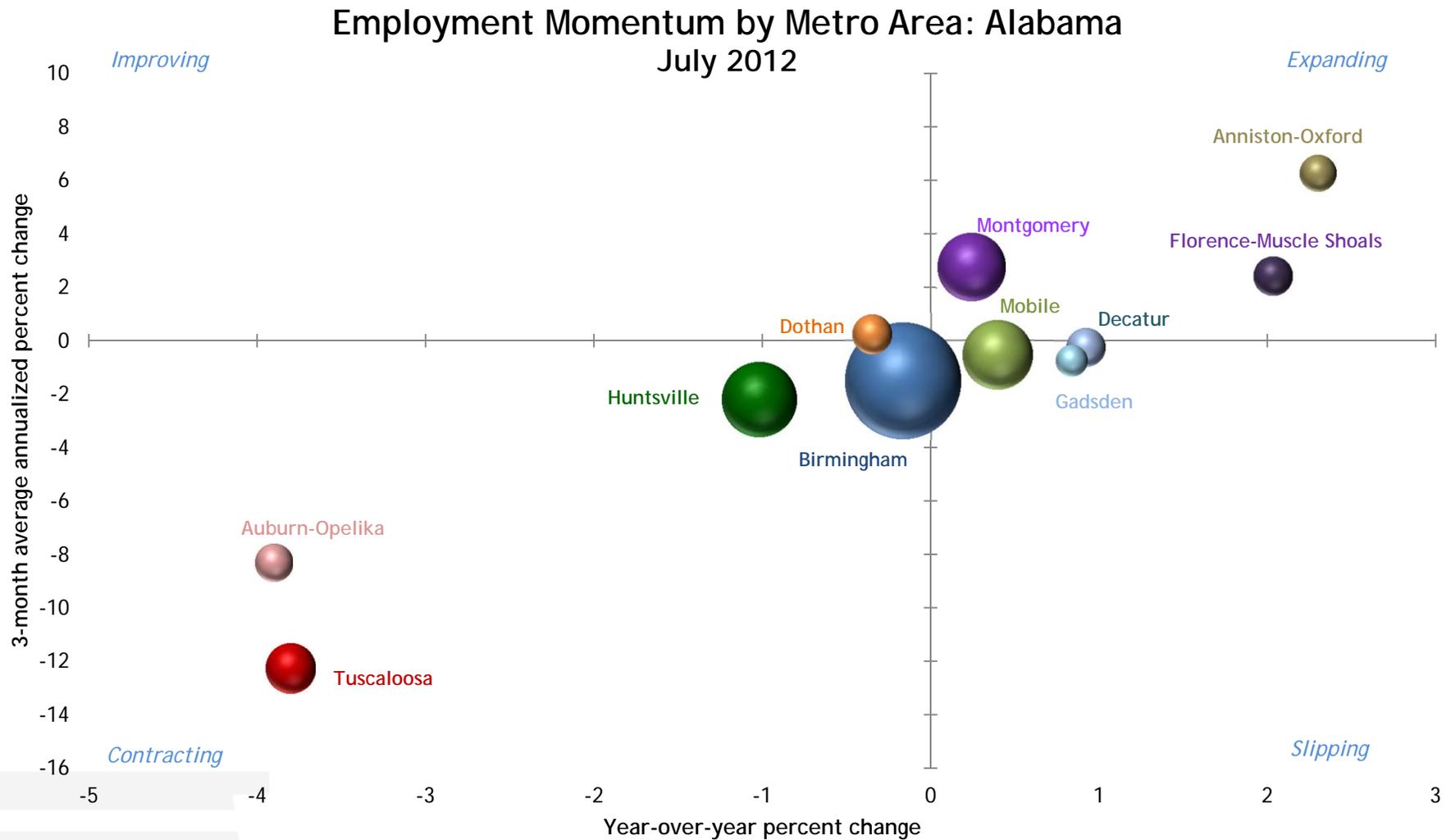


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these metro areas. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these metro areas; in this instance “trough to present” is the percent 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, Montgomery, and Anniston-Oxford expanded in July; Dothan experienced improving momentum. Momentum in Birmingham, Tuscaloosa, Huntsville, and Auburn-Opelika contracted.

[About Employment Momentum](#)

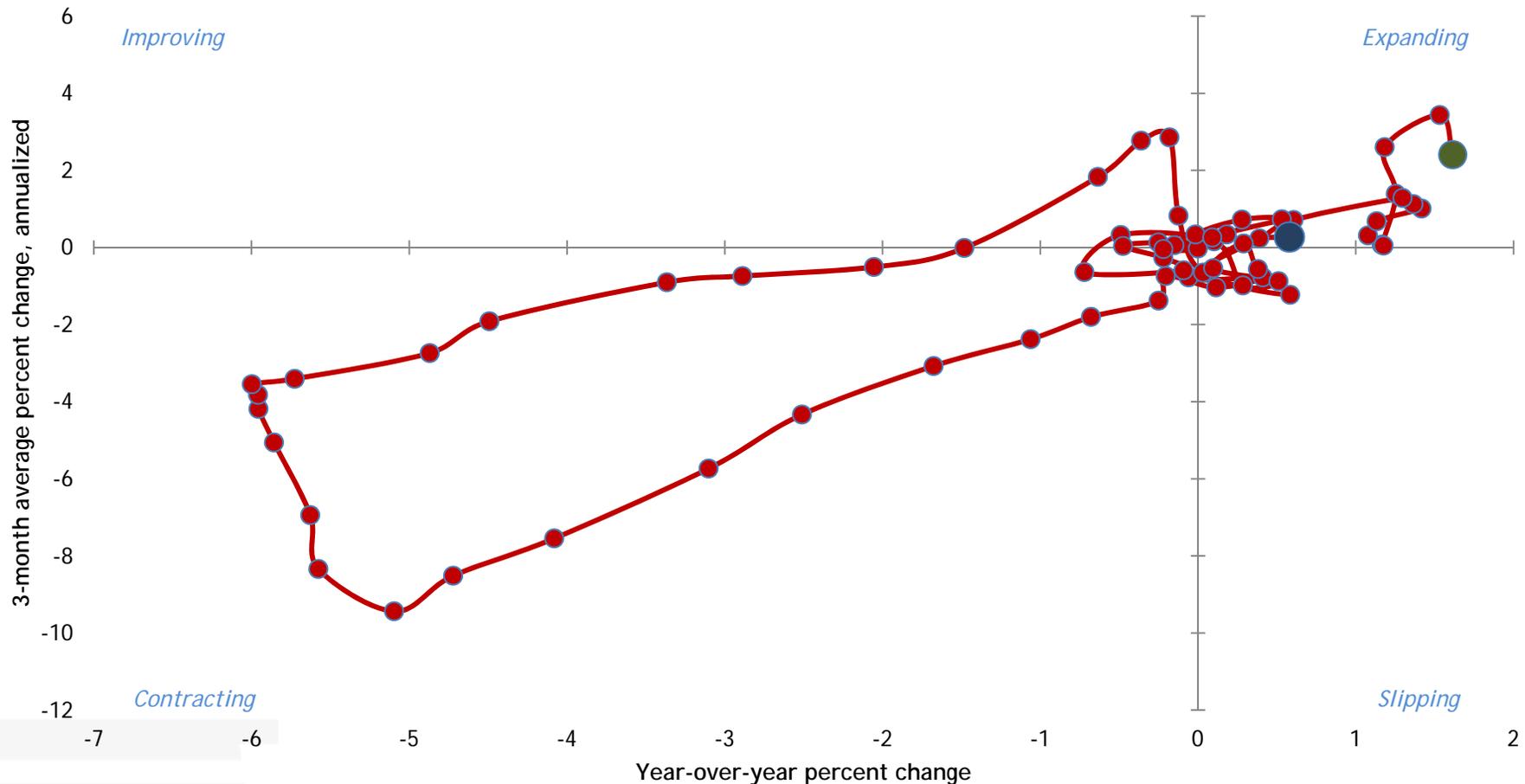


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

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 was in the "expanding" quadrant during April and May. Momentum fell into the "contracting" quadrant in June, then expanded again in July.

[About Employment Momentum Track](#)

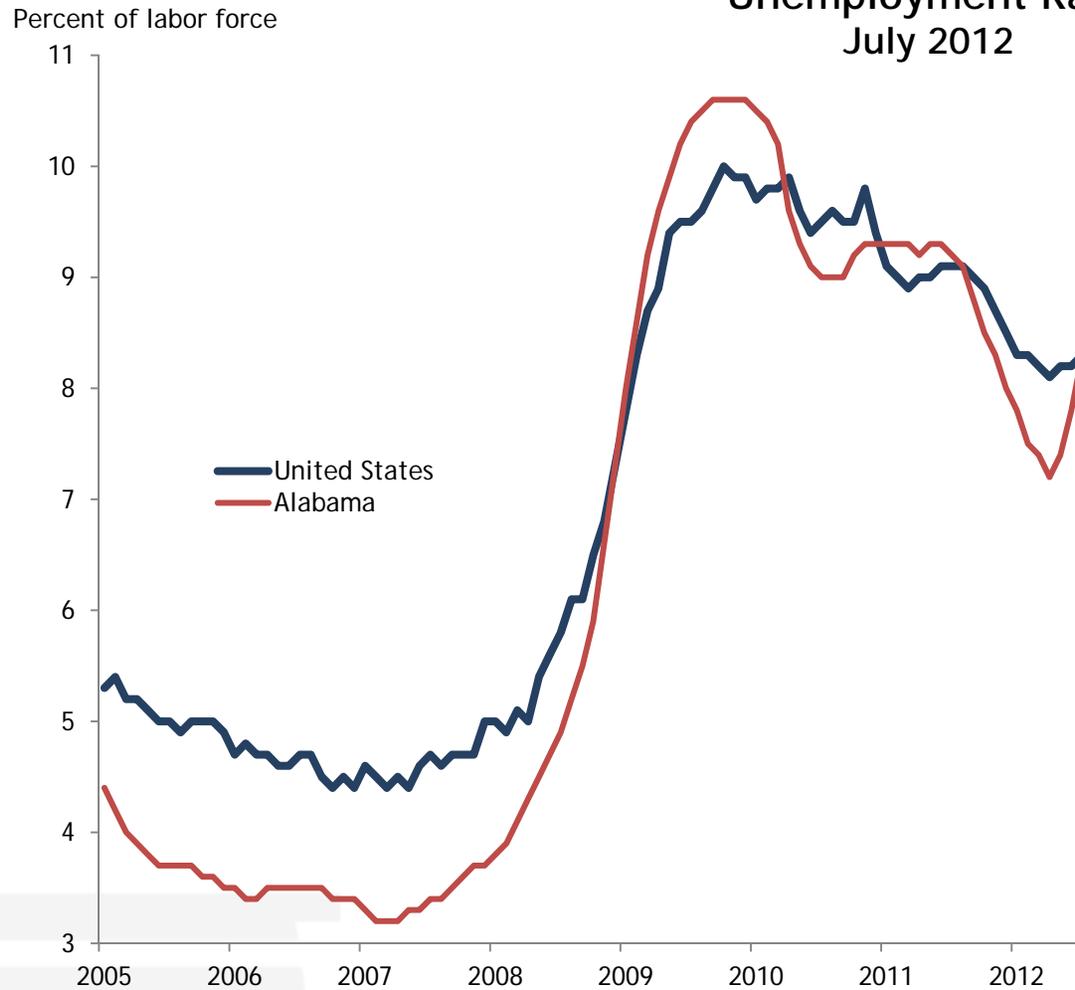
Employment Momentum Track January 2007-July 2012



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 but has increased since April. It is at the same level as the U.S. rate. Many of the state's metro areas experienced month-to-month increases, and Alabama's rate increased by one-half percent from June to July.

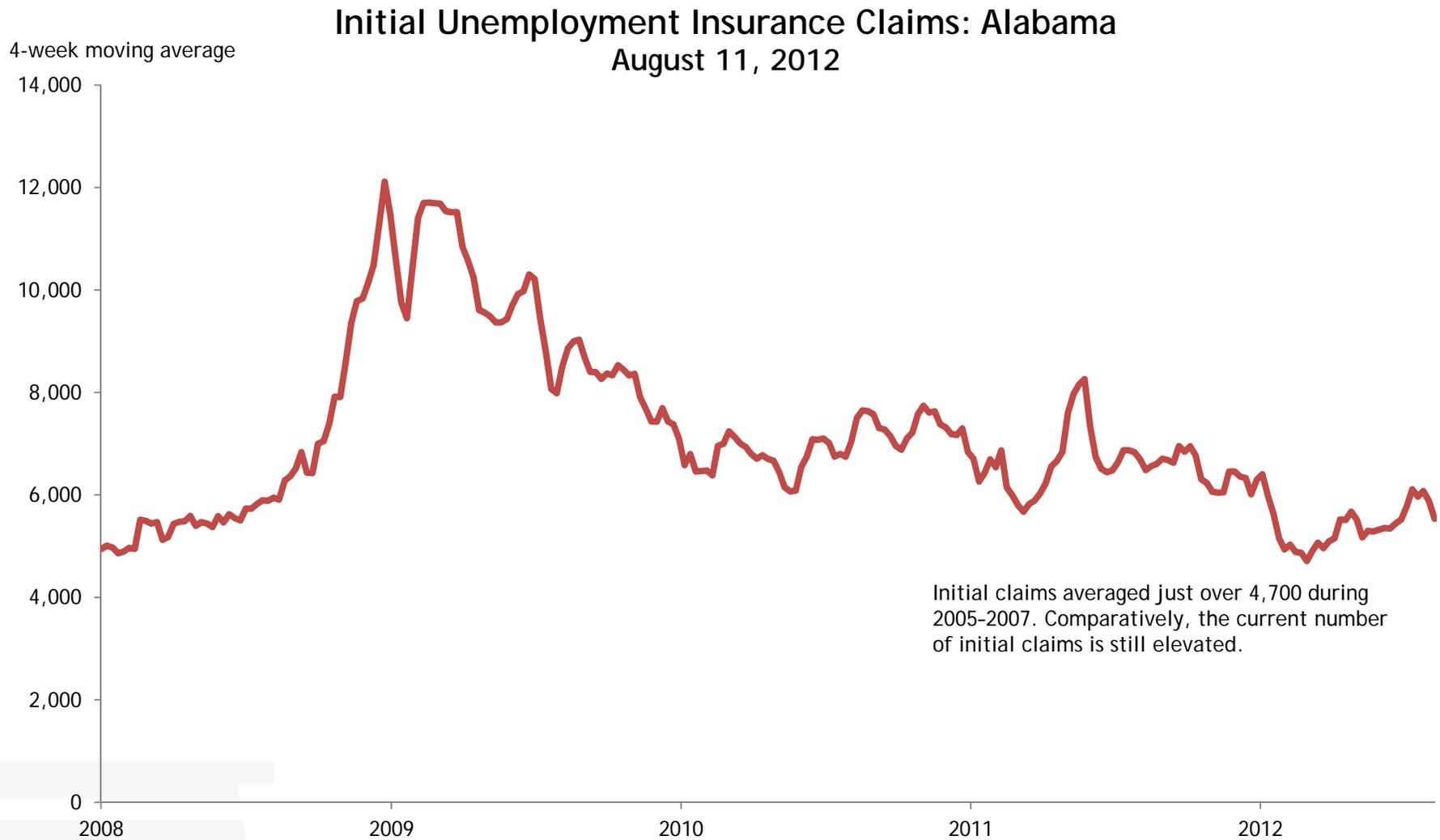
Unemployment Rate
July 2012



Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	8.3	9.1	4.6
Alabama	8.3	9.2	3.3
Anniston	9.4	9.8	3.4
Auburn-Opelika	8.1	7.8	3.4
Birmingham	7.9	8.8	3.2
Decatur	8.7	9.3	3.5
Dothan	8.4	8.7	3.2
Florence	8.6	9.1	4.1
Gadsden	8.8	9.8	4.0
Huntsville	7.7	8.1	2.9
Mobile	10.1	10.7	3.5
Montgomery	8.9	9.4	3.6
Tuscaloosa	9.2	9.8	3.2

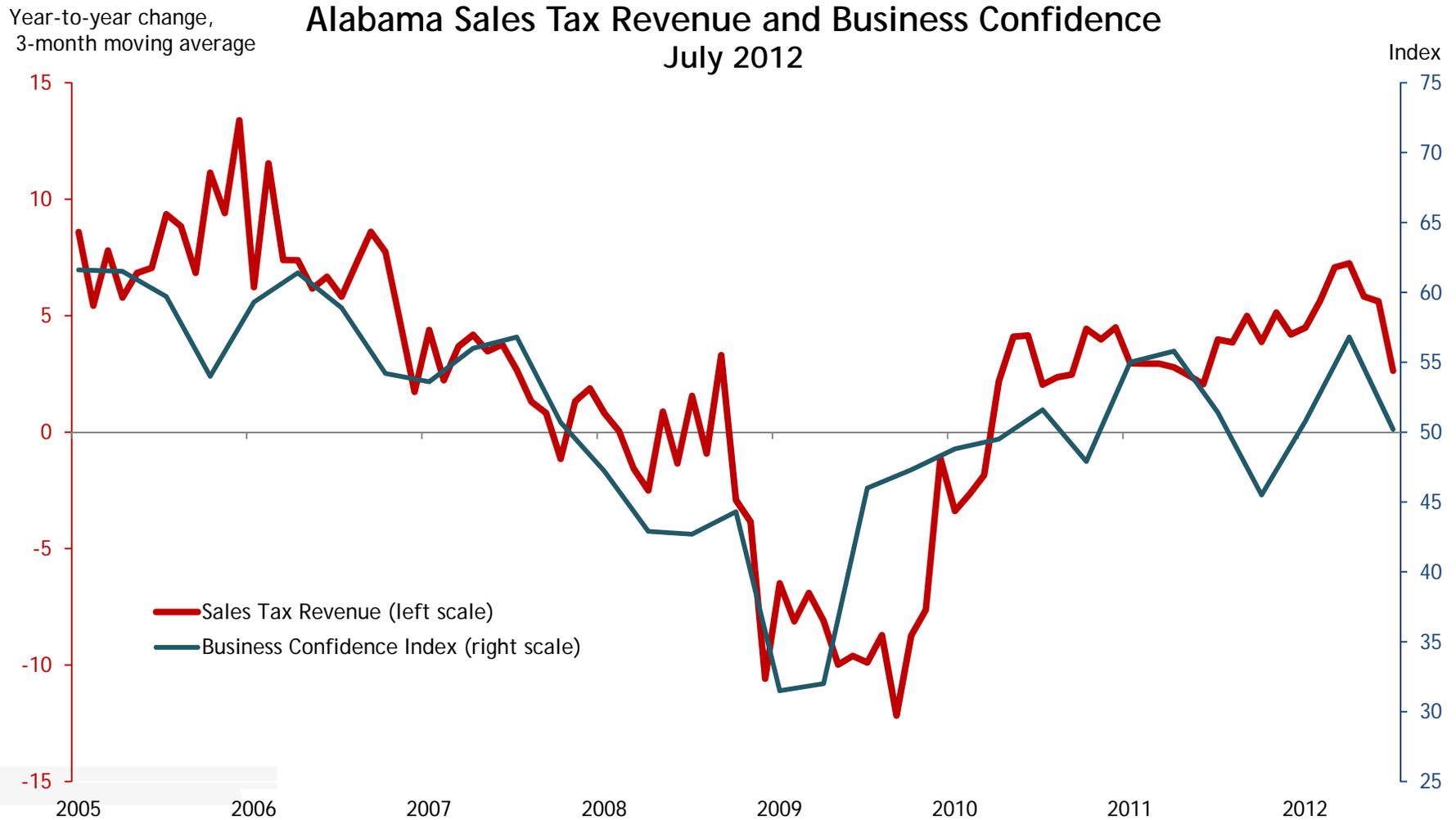
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial claims for unemployment insurance have fallen over the last month.



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

Business sentiment, as measured by the University of Alabama's third quarter 2012 survey, was barely in positive territory. Business confidence declined across all industries. Sales tax revenue continues to experience positive year-over-year growth, although it has decelerated recently.

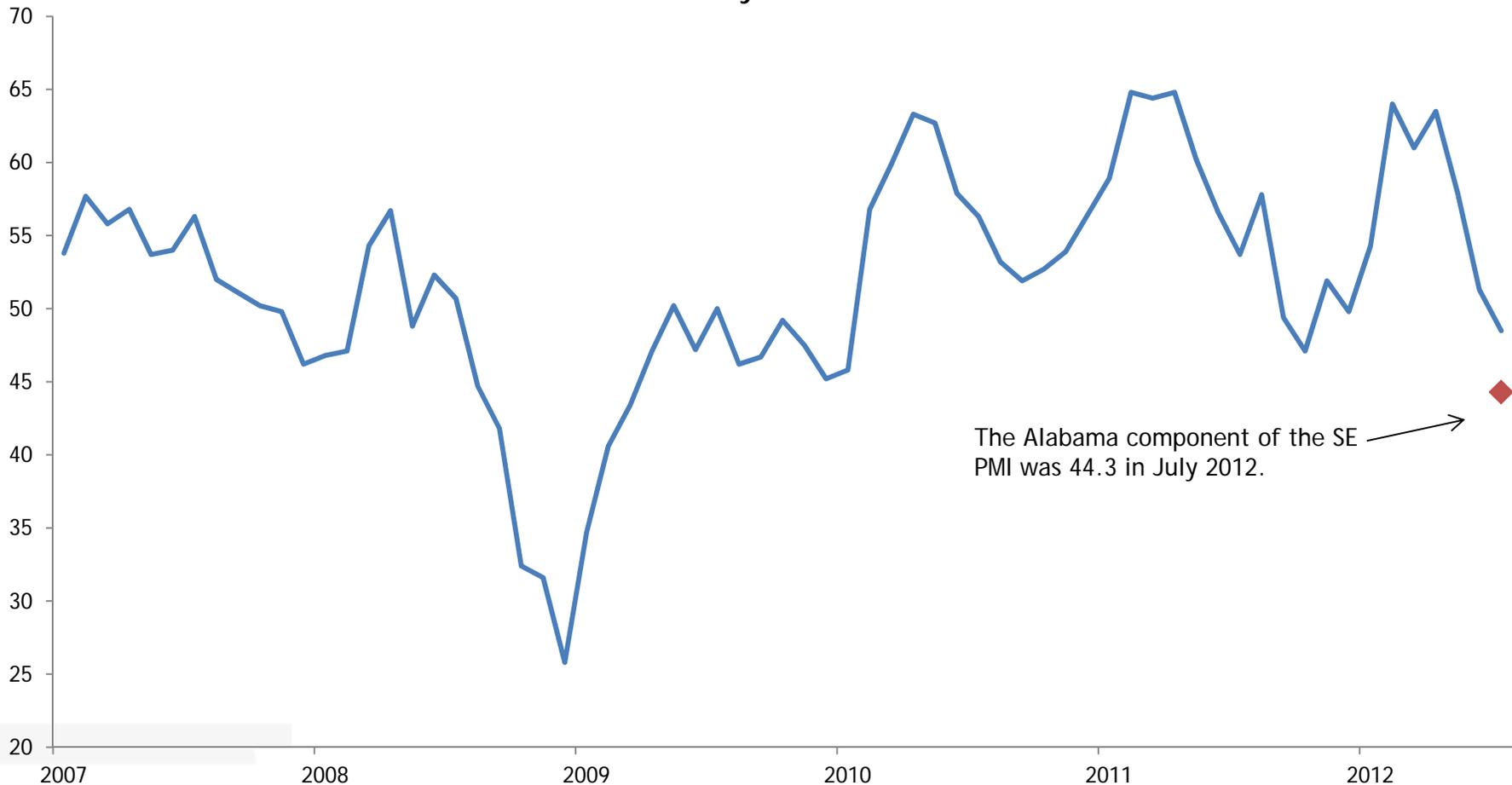


Note: Sales tax data are through June 2012; Business Confidence Index as of third quarter 2012.

Source: Alabama Department of Revenue, University of Alabama Center for Business and Economic Research, Federal Reserve Bank of Atlanta

Regional manufacturing activity decelerated in July for the third consecutive month, according to the Southeast Purchasing Managers Index (PMI) produced by Kennesaw State University. With a reading of 44.3 for July, Alabama's component increased from June, but remained below the overall regional reading of 48.5.

Southeast Purchasing Managers Index July 2012



2007

2008

2009

2010

2011

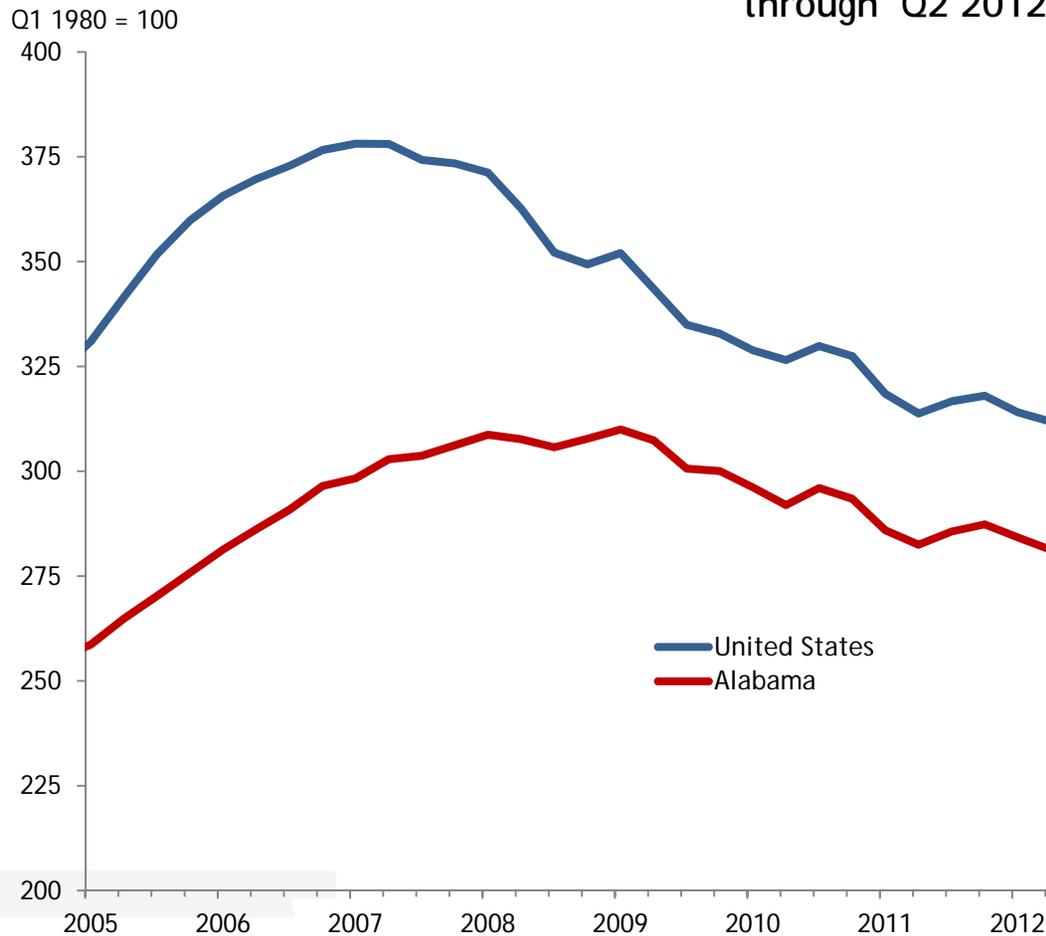
2012

Note: 50+ = Expansion

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

Home prices declined for both Alabama and the United States in the first and second quarters of 2012 after improving during the last two quarters of 2011.

Federal Housing Finance Agency Home Price Index through Q2 2012



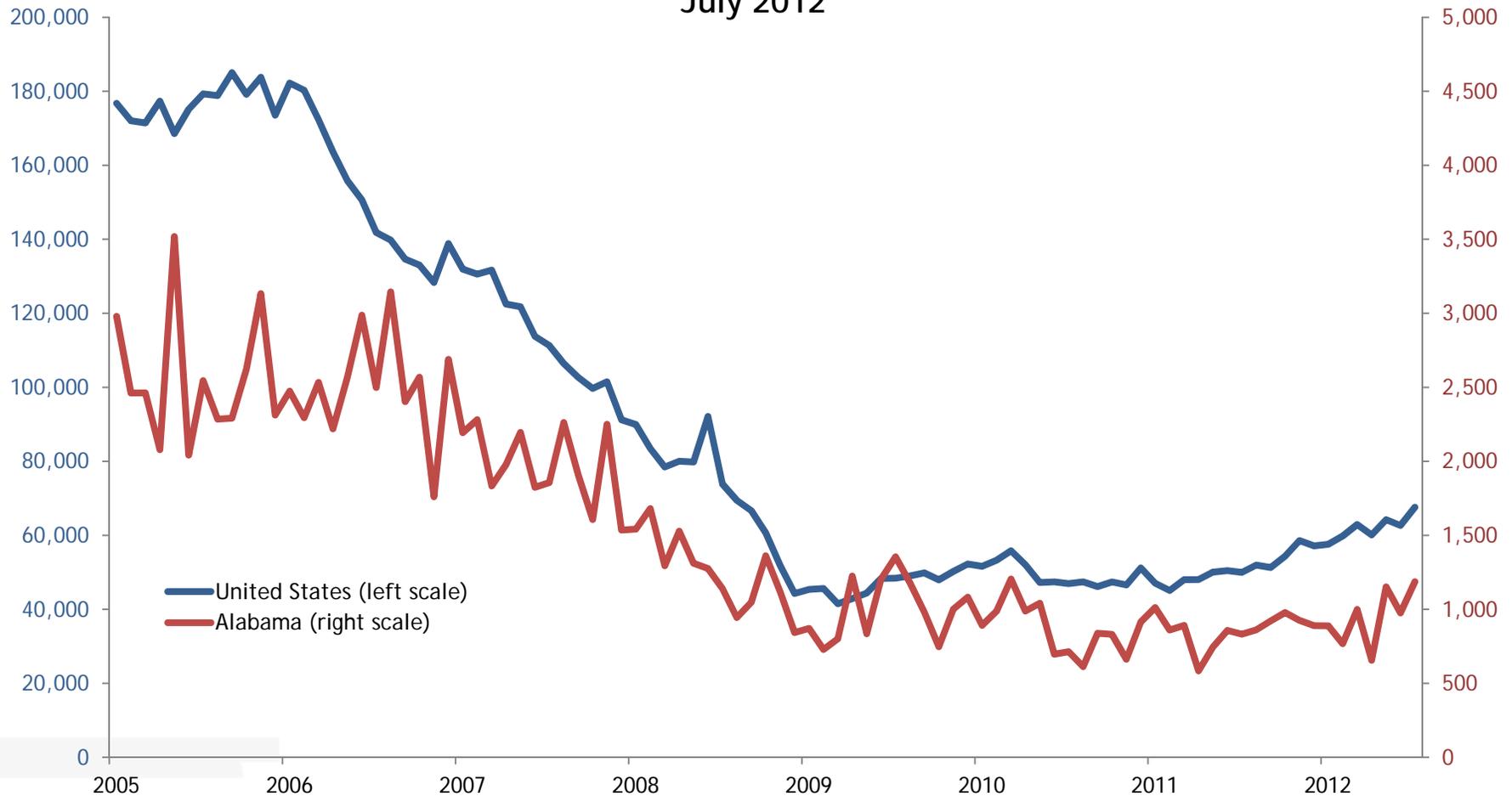
FHFA House Price Index: Q2 2012	1-yr % change	5-yr % change	10-yr % change
USA	-0.6	-17.5	17.5
Alabama	-0.4	-7.1	22.6
Anniston-Oxford	-4.2	-10.7	17.4
Auburn-Opelika	-0.6	-11.5	22.8
Birmingham	0.3	-9.5	17.3
Decatur	-1.6	0.2	20.2
Dothan	0.7	-8.8	23.4
Florence-Muscle Shoals	-1.6	5.2	30.9
Gadsden	1.9	1.0	27.9
Huntsville	0.1	0.5	30.3
Mobile	-5.3	-15.9	19.0
Montgomery	-1.7	-11.3	15.4
Tuscaloosa	1.8	-1.4	25.3

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 July.

New Residential Home Construction Permits
July 2012



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.