



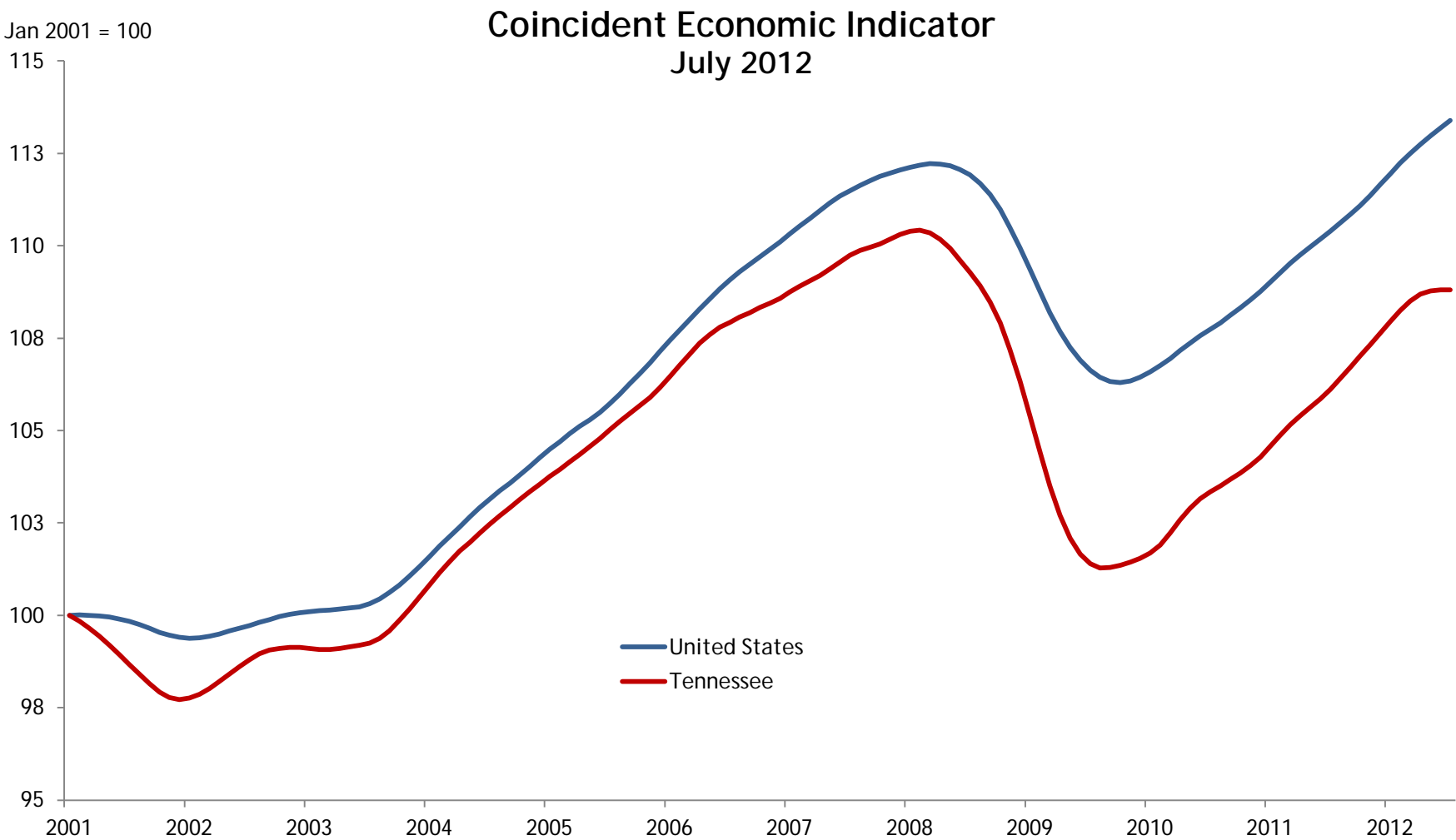
Data Digest: Tennessee

September 2012



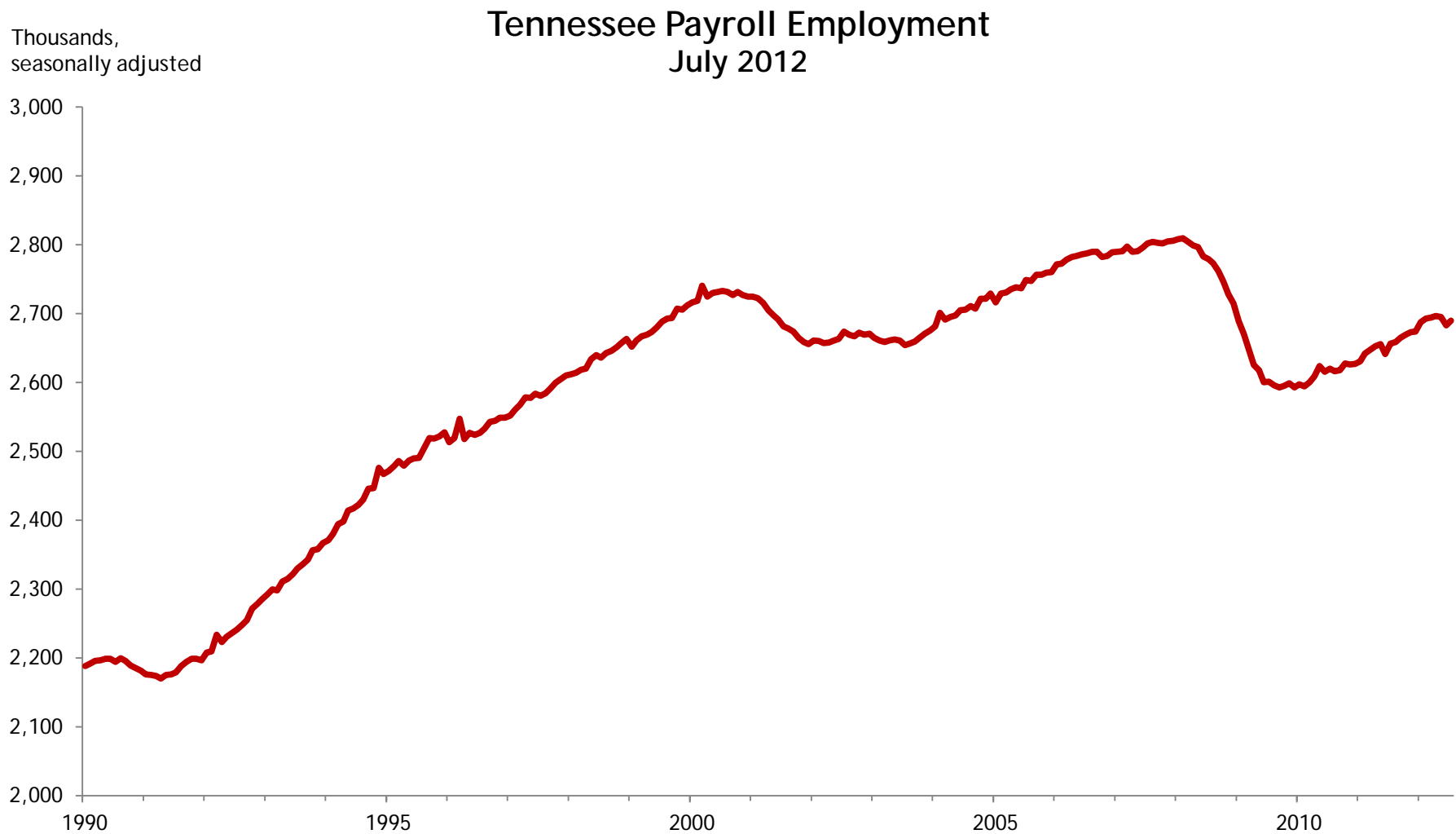
Tennessee's recent economic performance largely mirrors that of the United States; however, economic activity in Tennessee appears to have leveled off lately.

[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

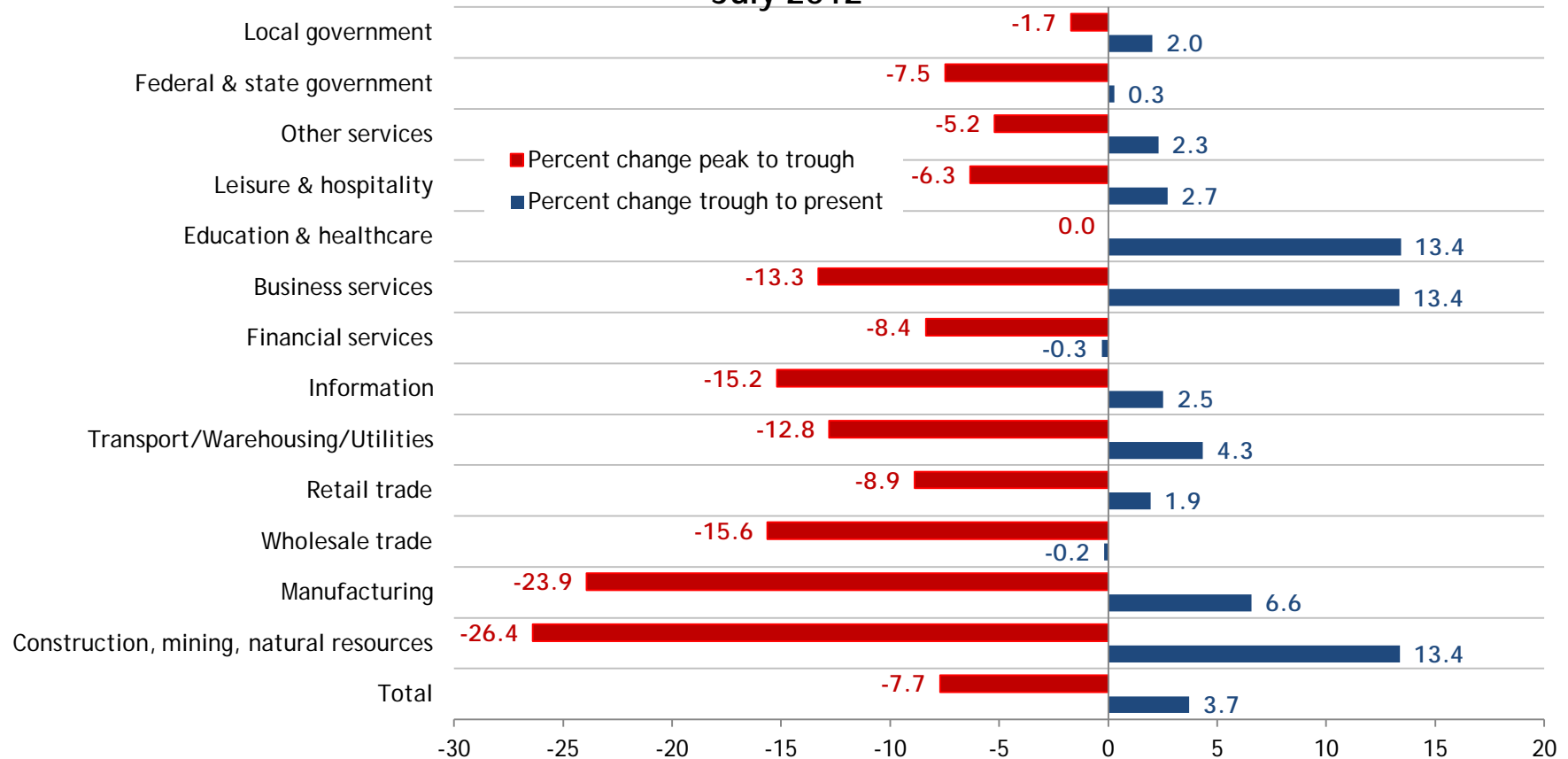
For more than two years, total employment in Tennessee has been on an upward trend.



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

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

Employment Loss and Gain by Industry: Tennessee July 2012

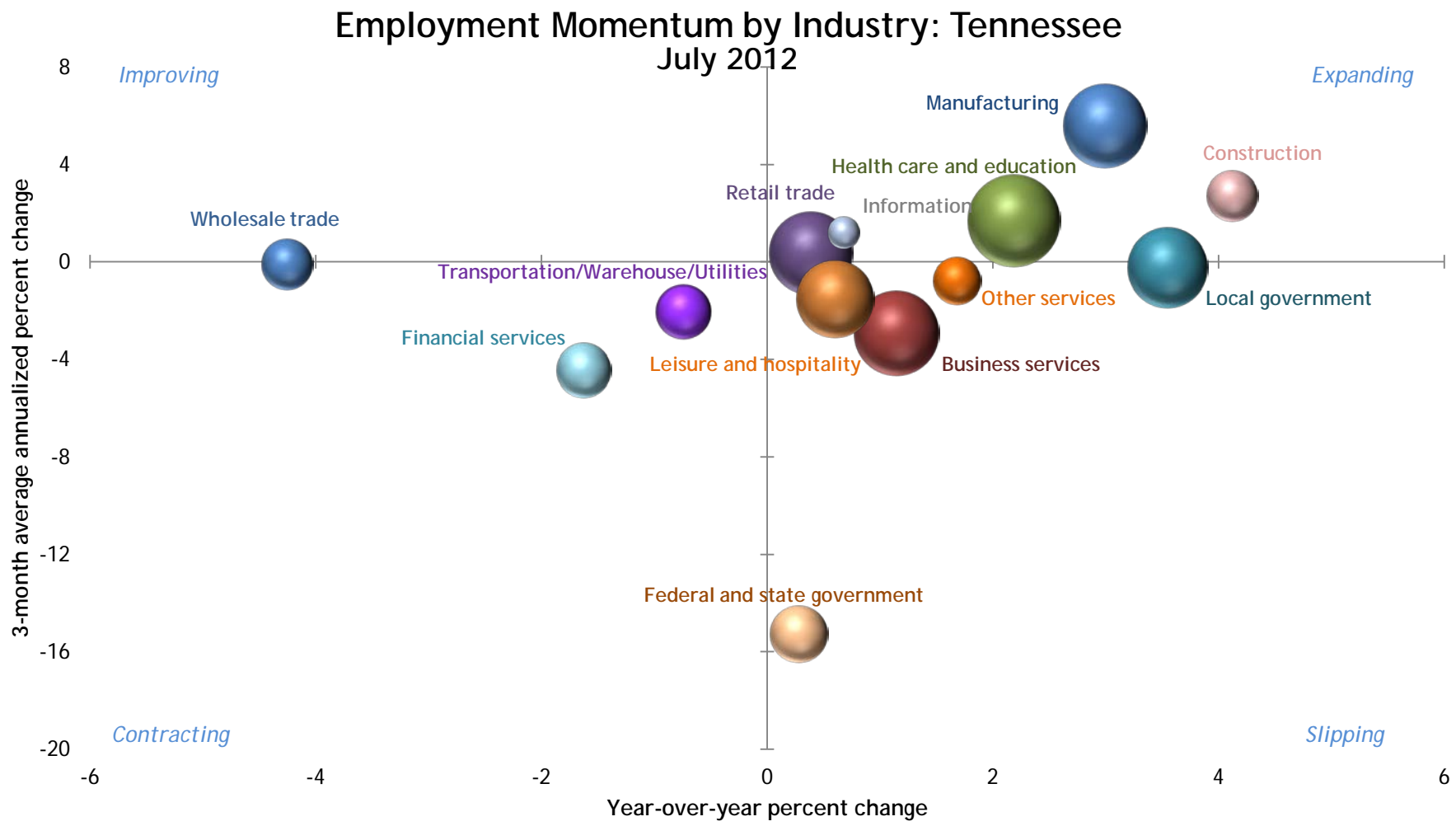


Note: A reading of 0.0 in the "trough to present" measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the "peak to trough" measure indicates that employment continues to increase in these industries; in this instance "trough to present" is the percent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

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

Employment growth in Tennessee has lost some momentum. Manufacturing, health care and education, construction, and information were the only industries that were firmly in the “expanding” category in July.

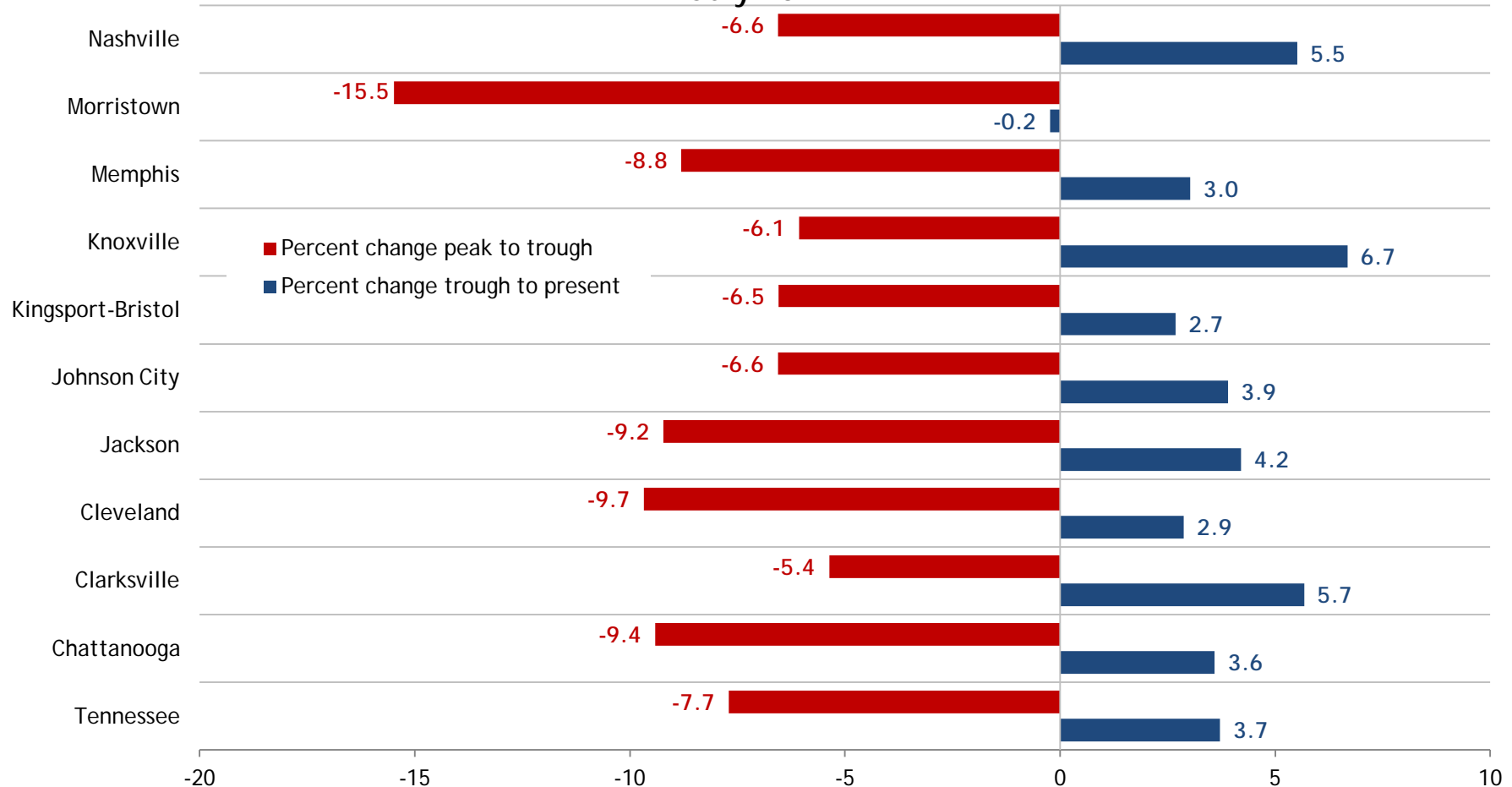
[About Employment Momentum](#)



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. Nashville is now getting close to recovering all the jobs that were lost during the downturn; Knoxville and Clarksville have surpassed their prerecession employment levels. Other metro areas are slowly regaining jobs.

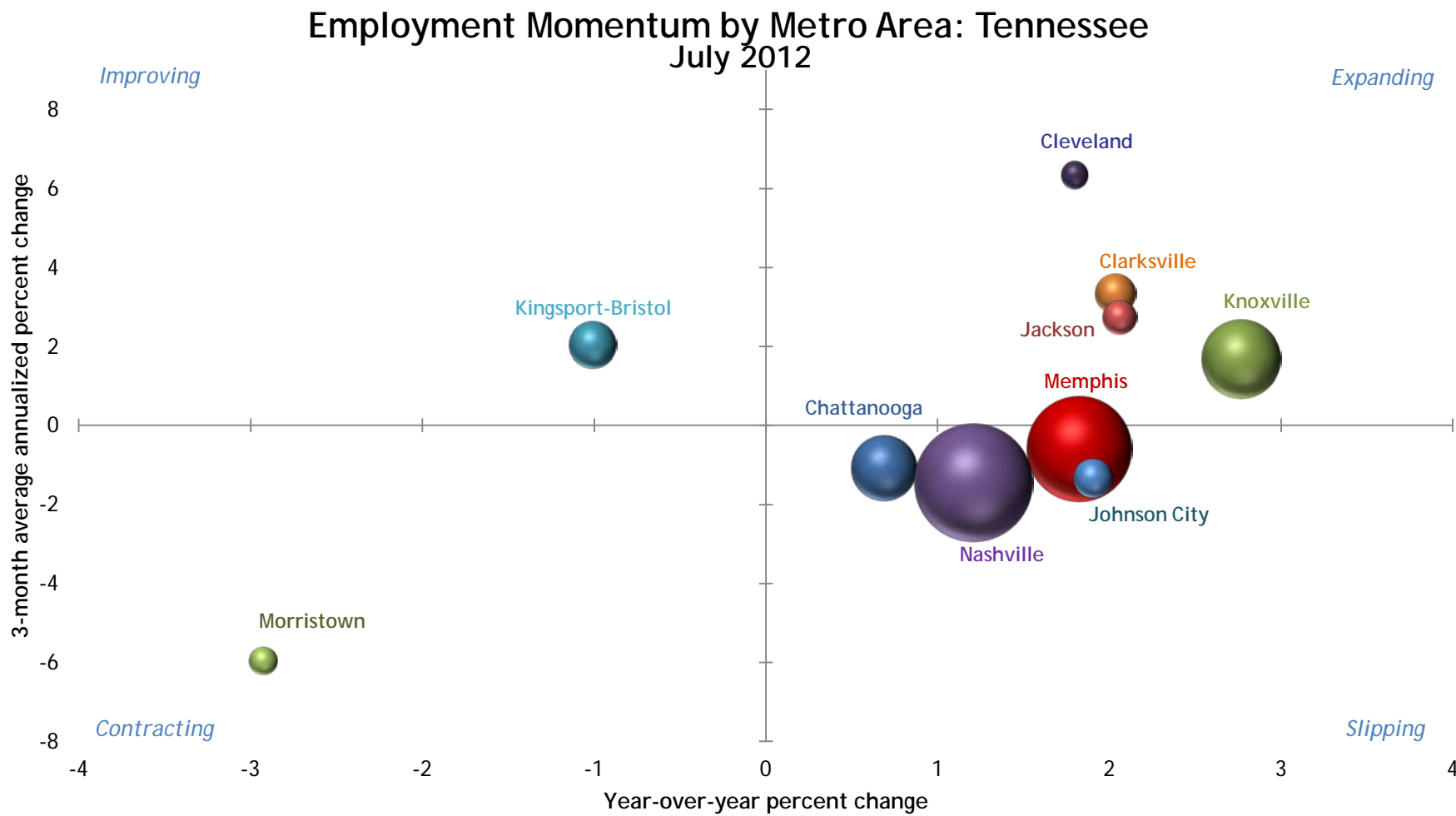
Employment Loss and Gain by Metro Area: Tennessee July 2012



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

Employment growth momentum in most large metropolitan areas is slipping, but is expanding in Knoxville and three other metro areas.

[About Employment Momentum](#)

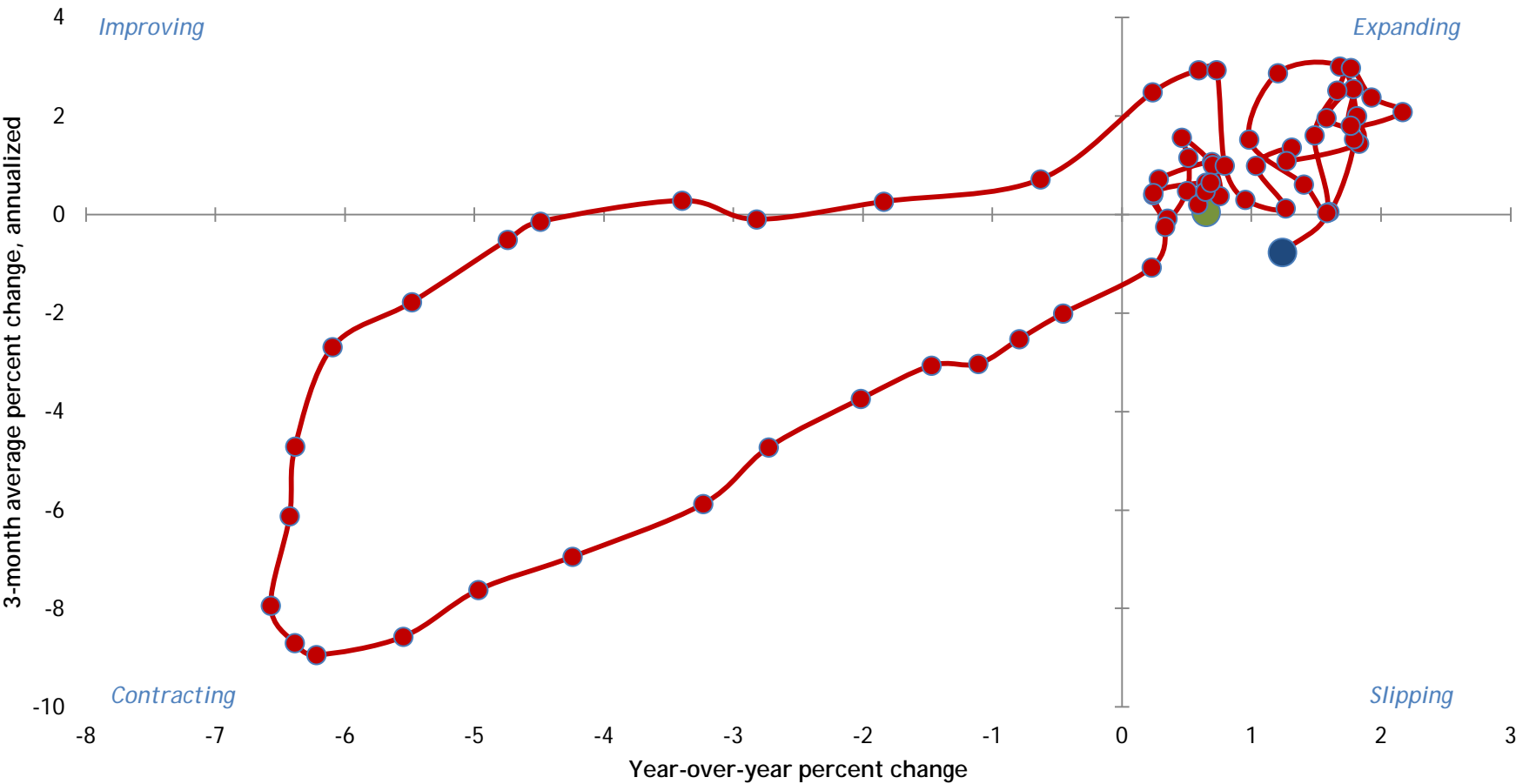


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum slipped in July for the first time in more than two years.

[About Employment Momentum Track](#)

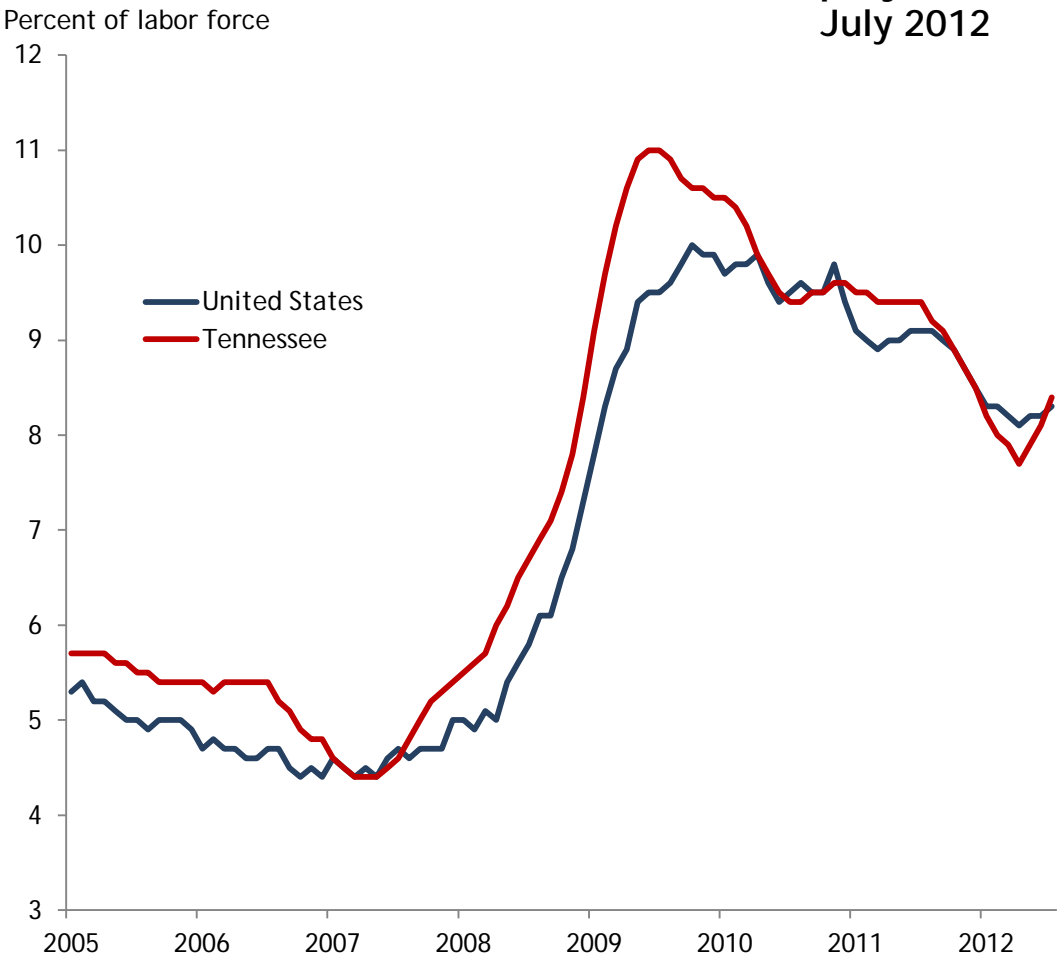
Employment Momentum Track: Tennessee
January 2007-July 2012



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

The unemployment rate for Tennessee continued to increase in July, surpassing the national level.

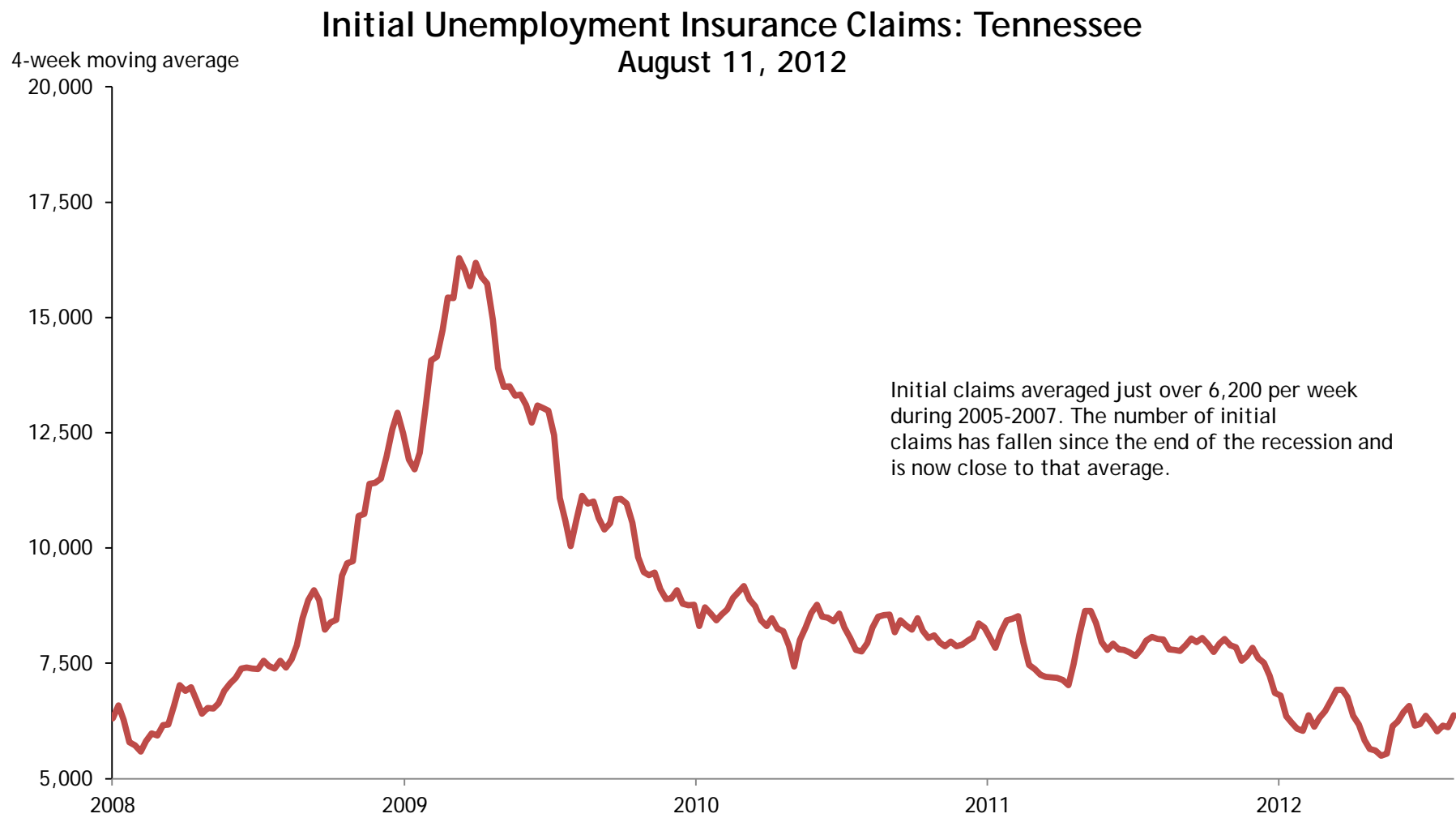
Unemployment Rate July 2012



Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	8.3	9.1	4.6
Tennessee	8.4	9.4	4.6
Chattanooga	8.3	8.6	4.4
Clarksville	9.3	10.2	5.7
Cleveland	9.0	9.7	4.9
Jackson	9.1	10.1	5.6
Johnson City	7.9	8.5	4.8
Kingsport-Bristol	7.9	8.2	4.8
Knoxville	7.0	7.5	4.1
Memphis	9.6	10.3	5.8
Morristown	10.6	11.2	6.1
Nashville	7.3	8.1	4.2

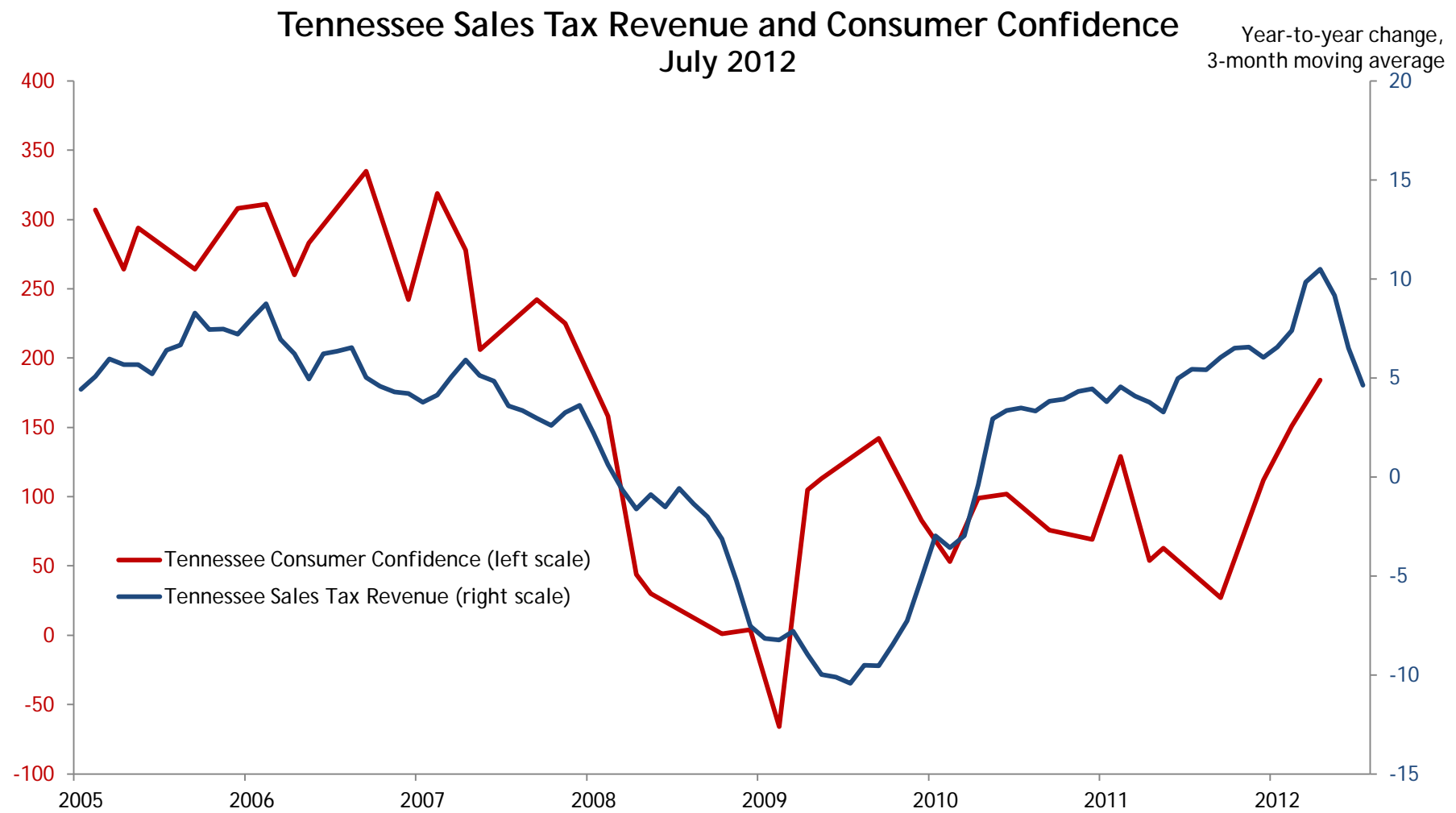
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial claims have leveled off in the past few months at close to prerecession levels.



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

Growth of sales tax revenue in Tennessee has decelerated over the past few months.



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

Regional manufacturing activity continued to decelerate in July, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. Tennessee's component of the Southeast PMI was 46.4, slightly lower than the regional measure of 48.5.

Southeast Purchasing Managers Index
July 2012

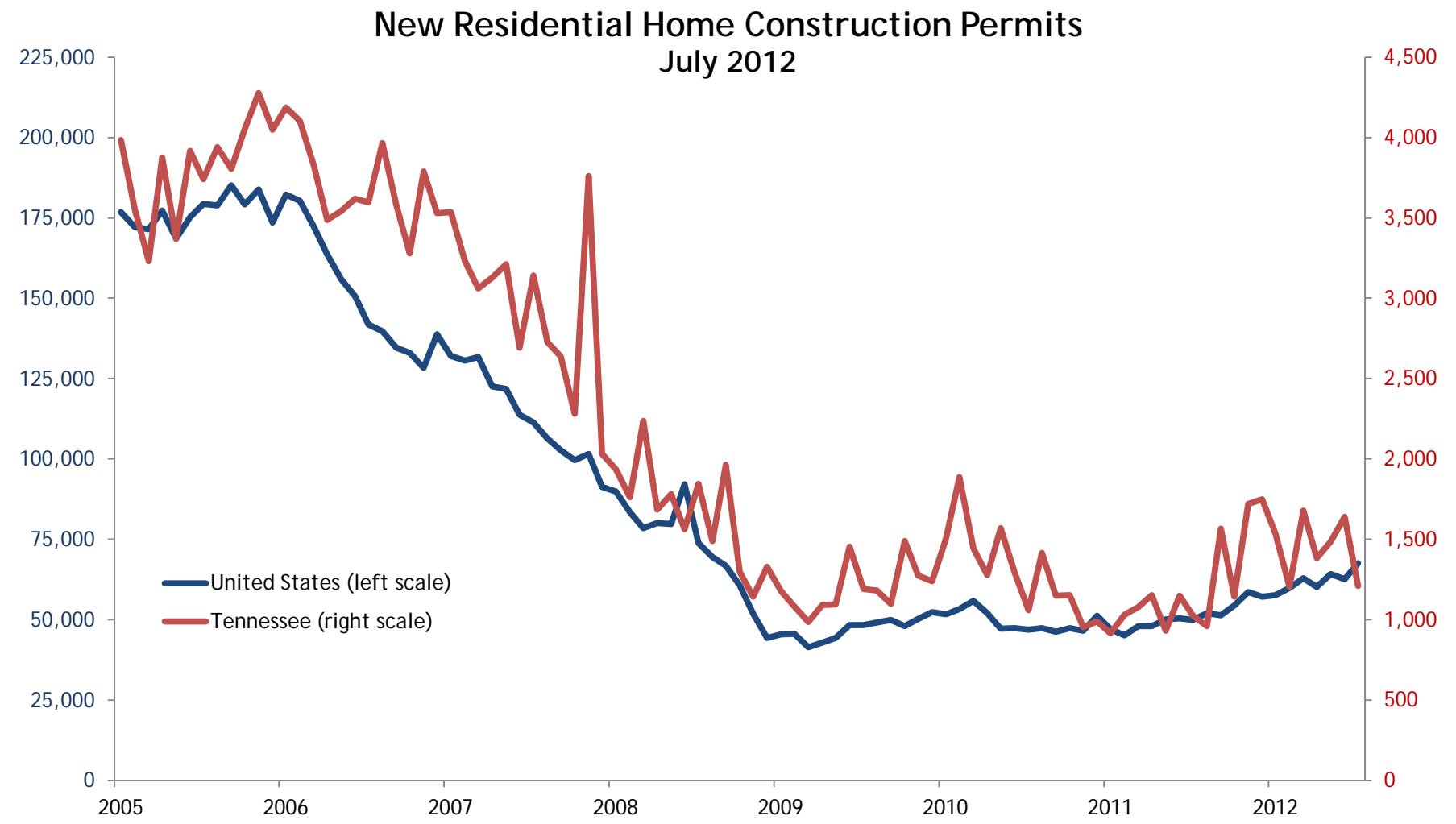


The Tennessee component of the SE PMI was 46.4 in July 2012.

Note: 50+ = Expansion

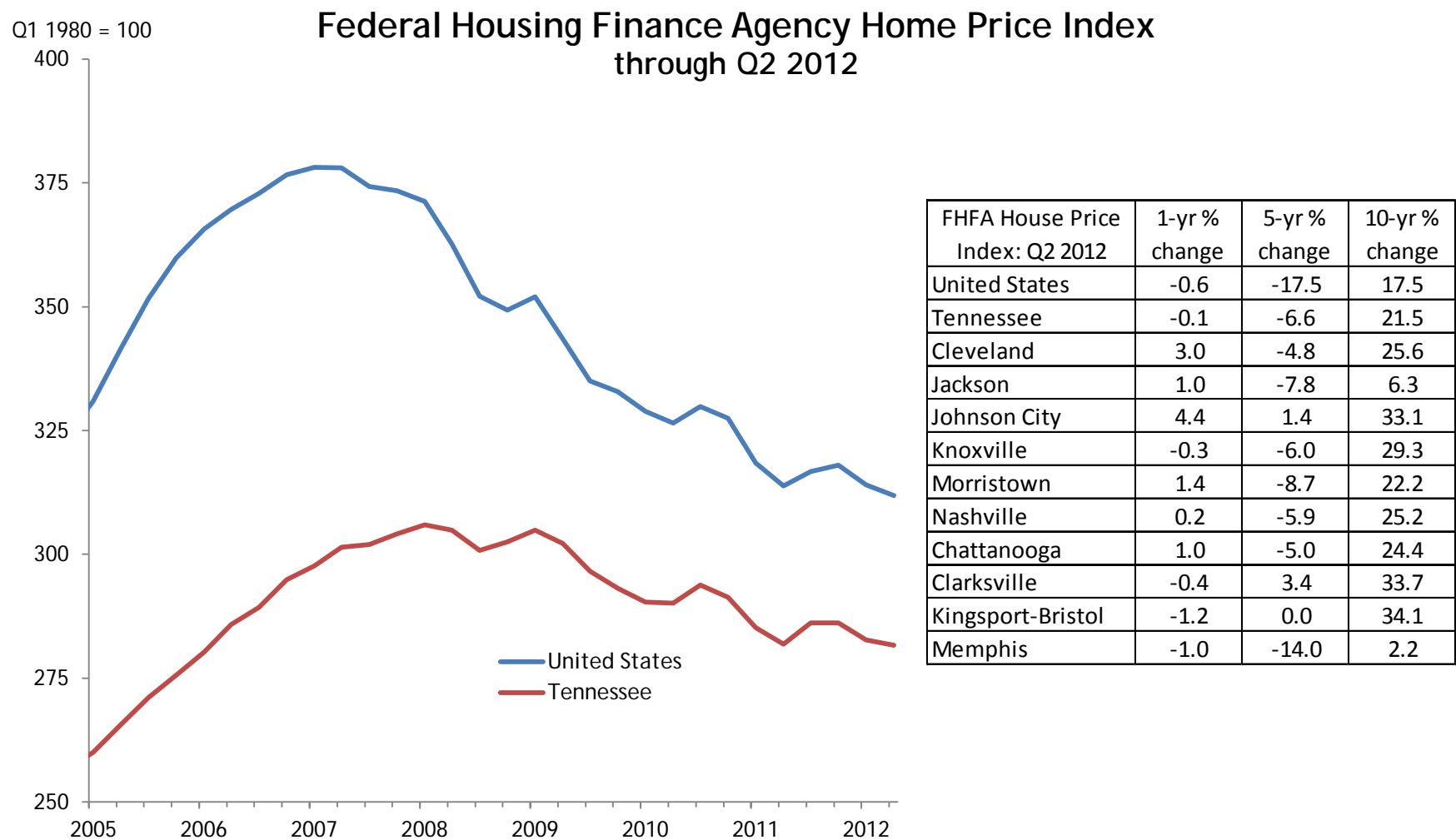
Source: Kennesaw State University, Coles College of Business Econometric Center

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



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

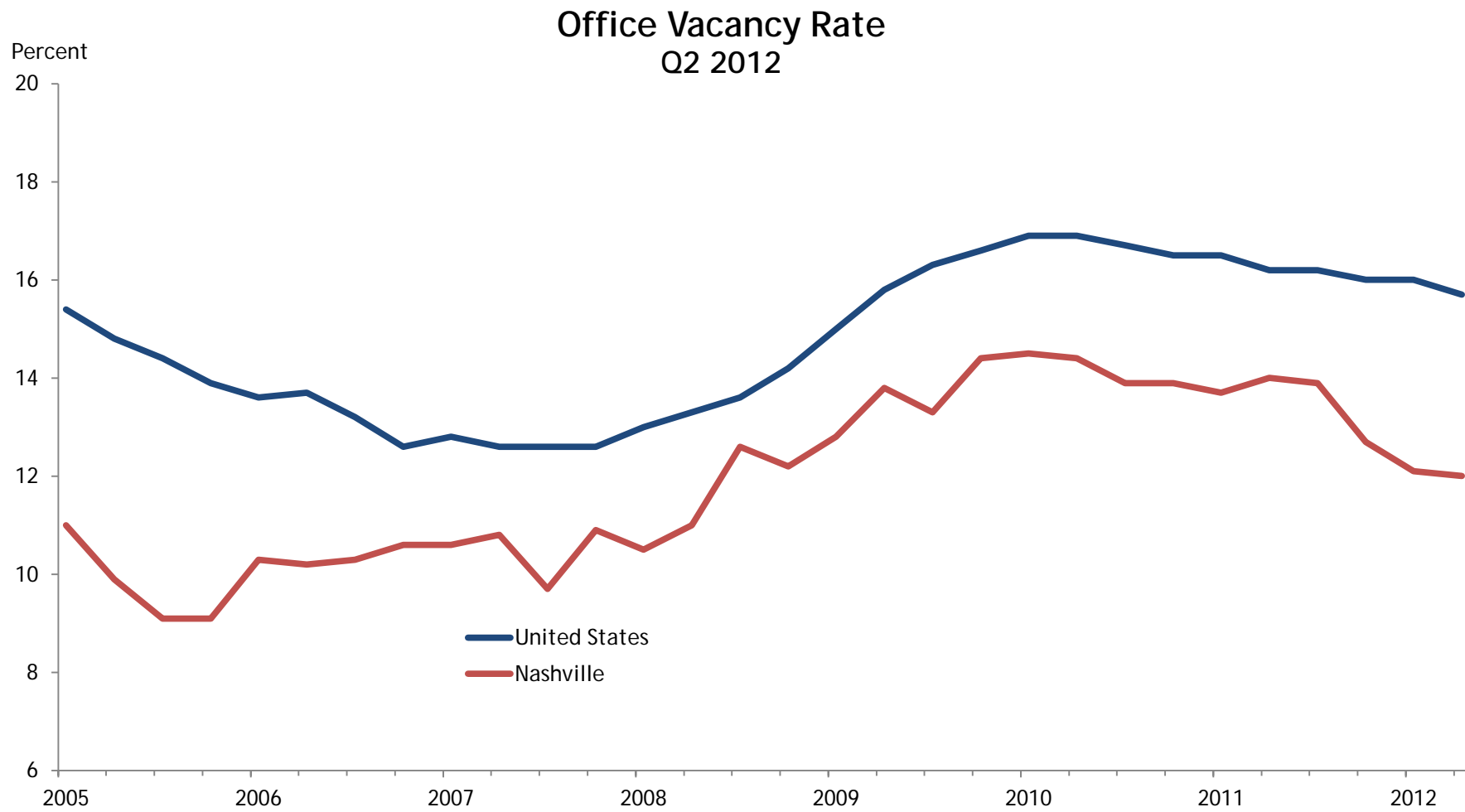
Home prices in Tennessee have declined at a slower pace than in the United States as a whole. Prices fell slightly in the second quarter and were just below year-ago levels.



Source: Federal Housing Finance Agency, Haver Analytics

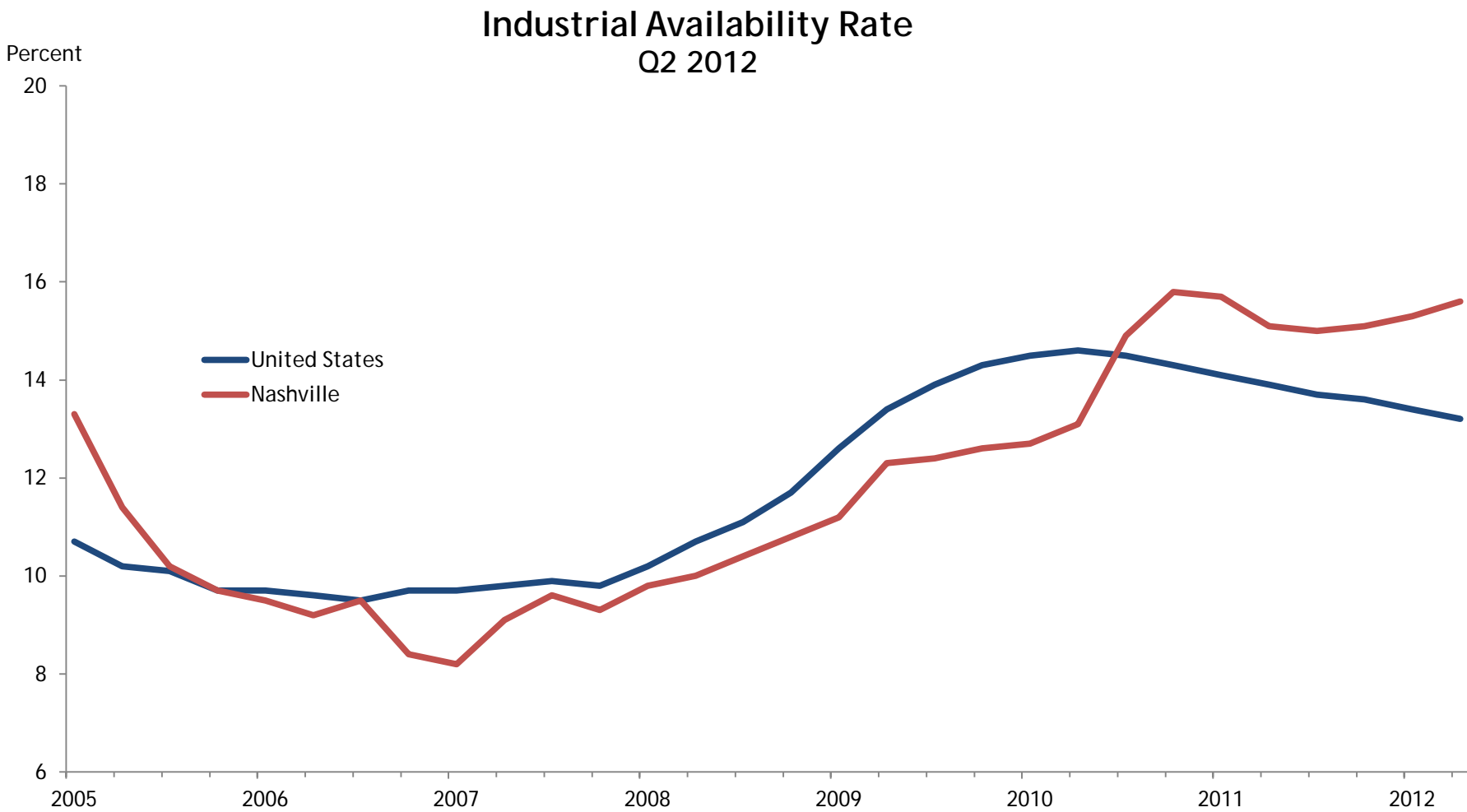
Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

Nationally, office vacancy rates rose throughout the recession but now appear to have stabilized at higher levels. Office vacancy rates in Nashville have come down notably over the past few quarters.



Source: CB Richard Ellis, Haver Analytics

Industrial availability rates remain elevated throughout the United States. Nashville's rate continued to increase in the second quarter.



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.