



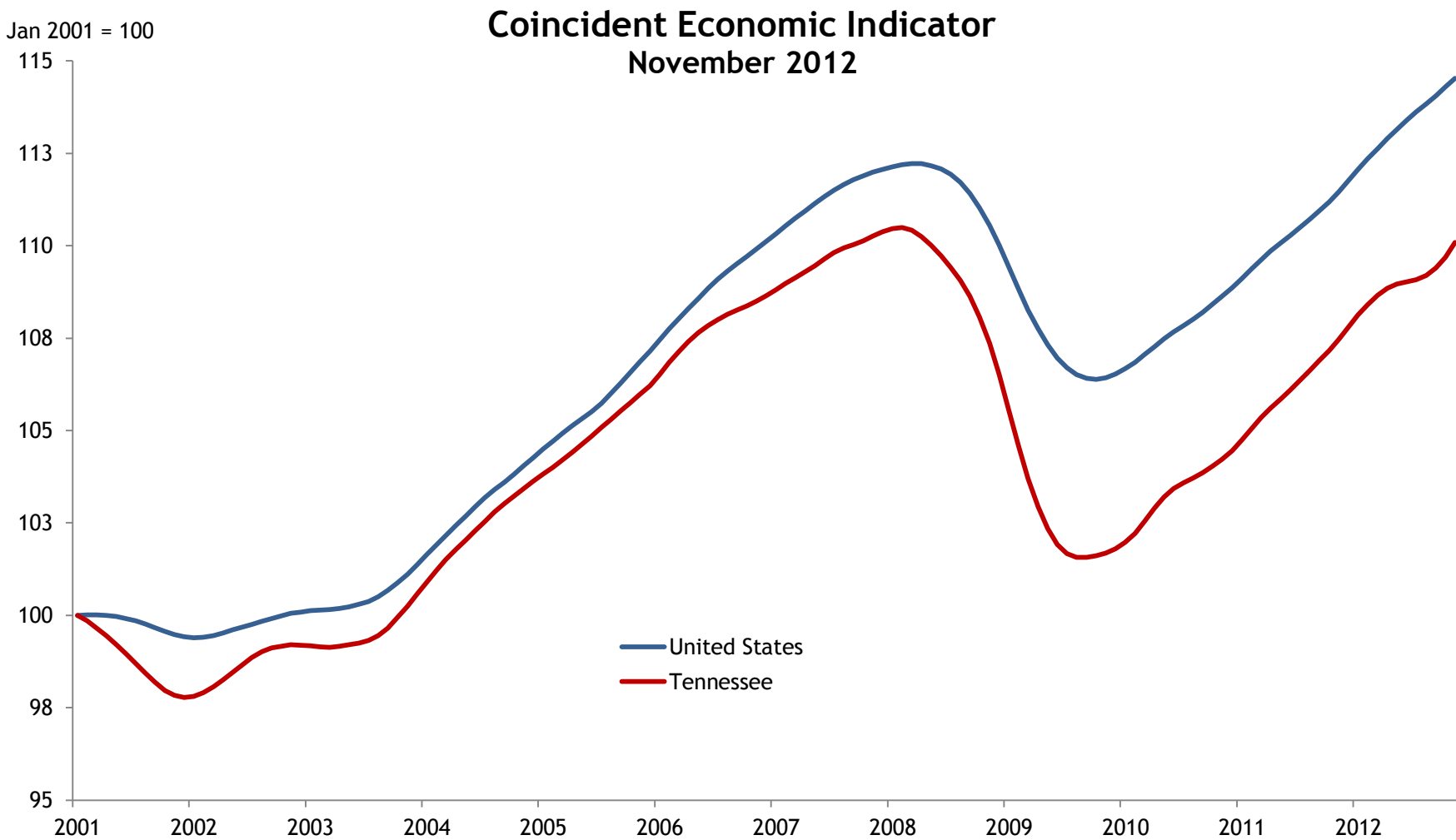
Data Digest: Tennessee

January 2013



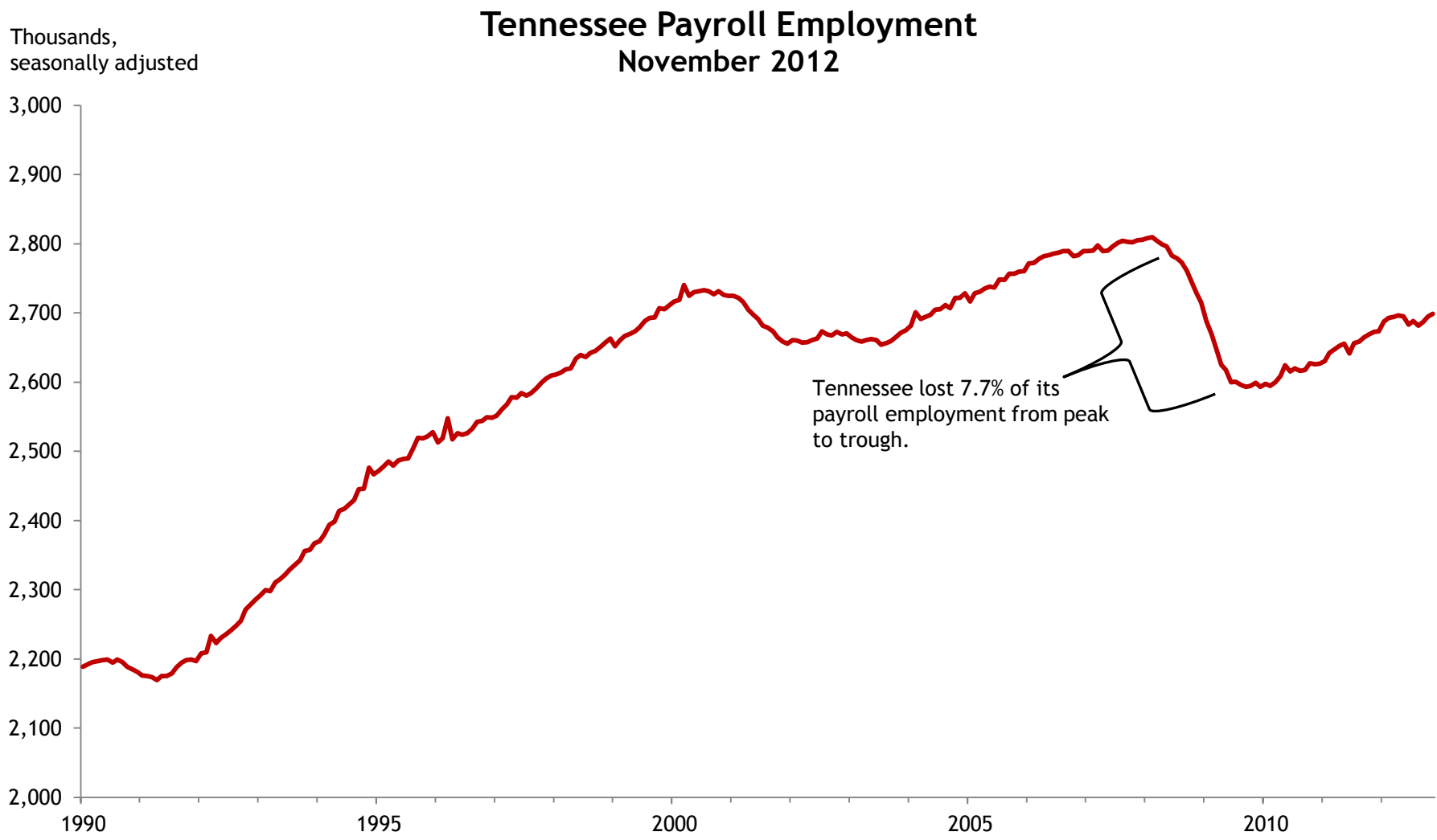
Tennessee's recent economic performance largely mirrors that of the United States.

[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

For more than two years, total employment in Tennessee had been on an upward trend, but payroll growth has stalled over the past six months.

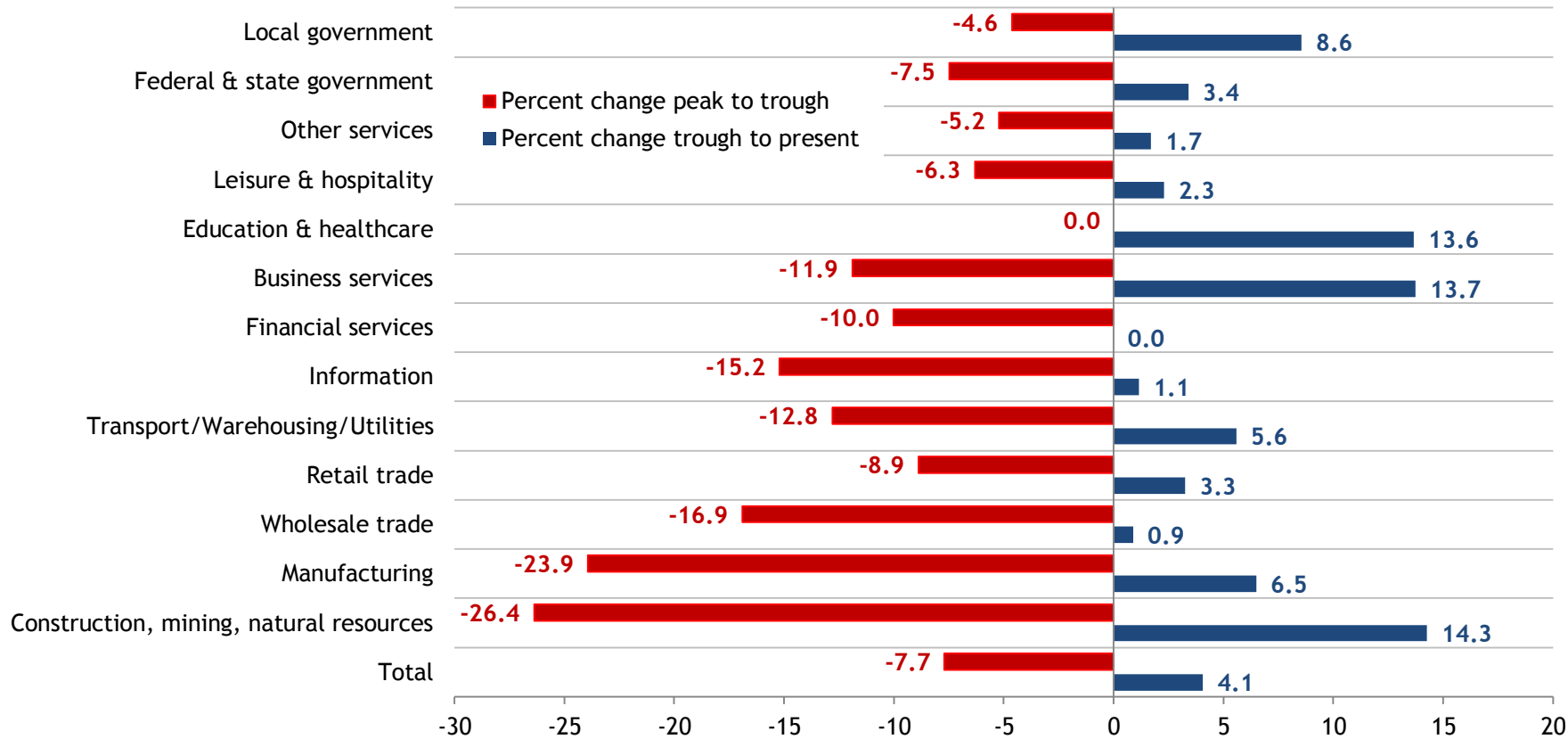


Tennessee lost 7.7% of its payroll employment from peak to trough.

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

All industries except education and health care lost jobs during the 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 November 2012

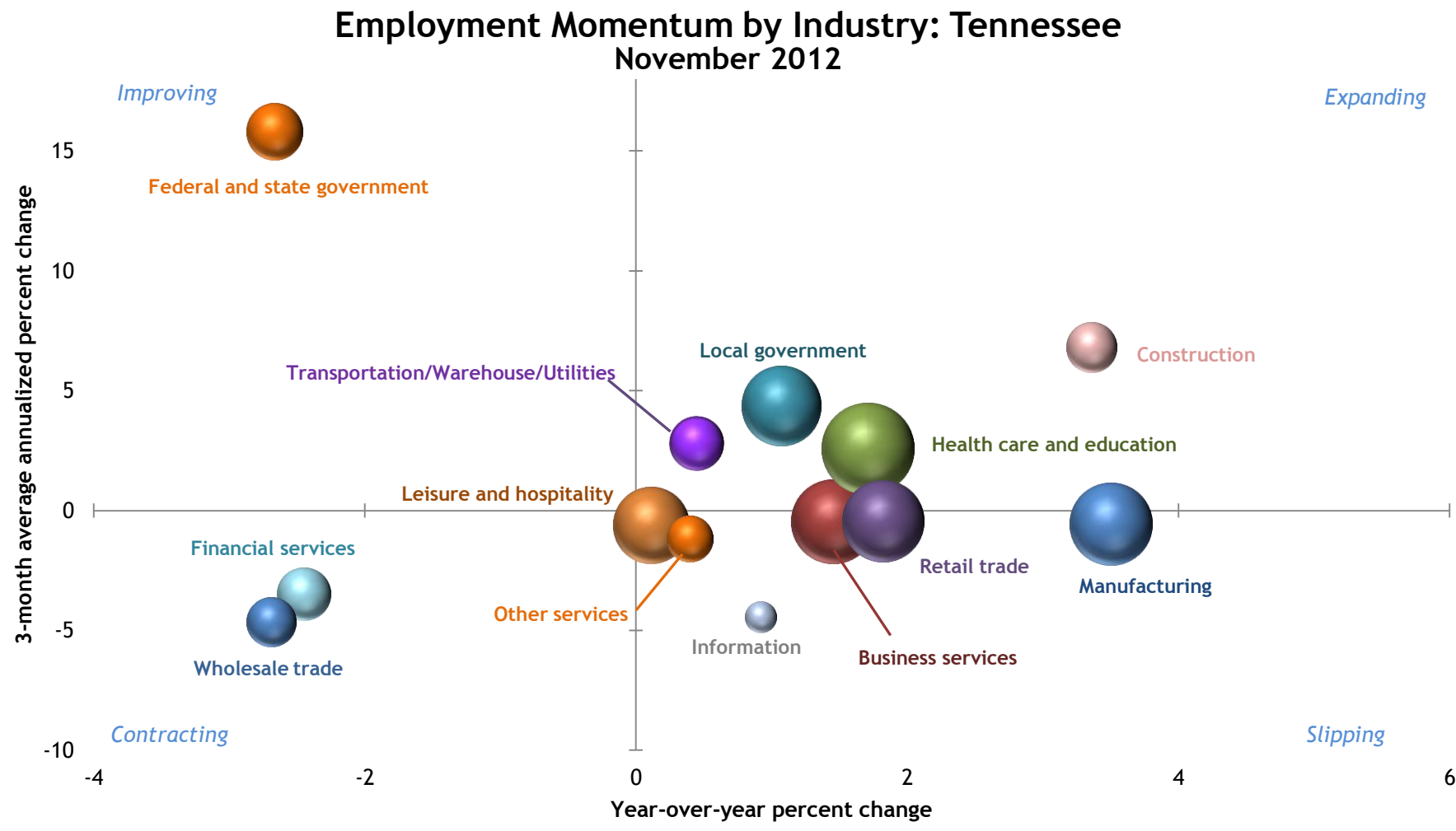


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

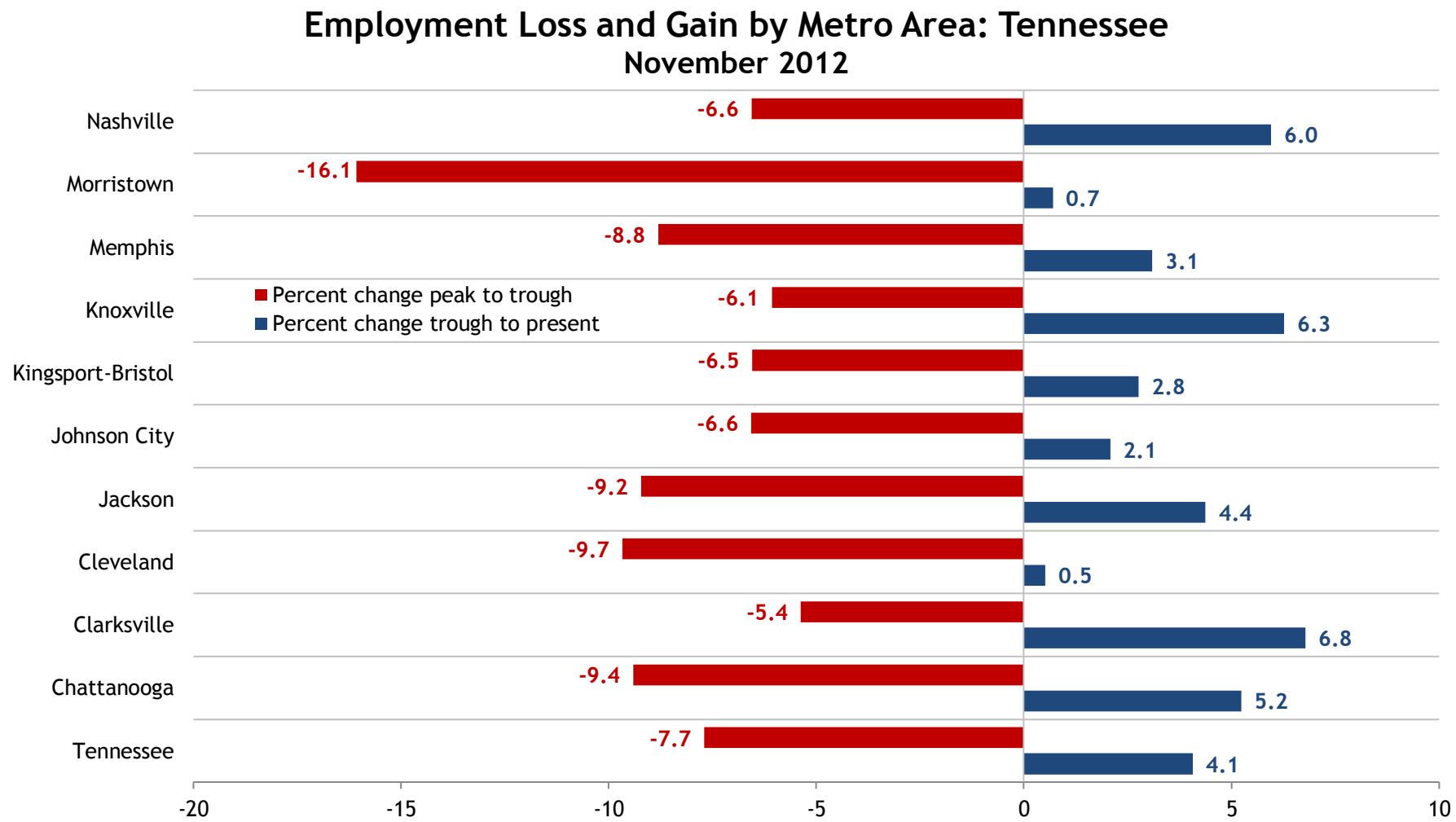
Employment growth in Tennessee gained some momentum recently. Health care and education, construction, local government, and transportation/warehouse/utilities were all firmly in the “expanding” category in November.

[About Employment Momentum](#)



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

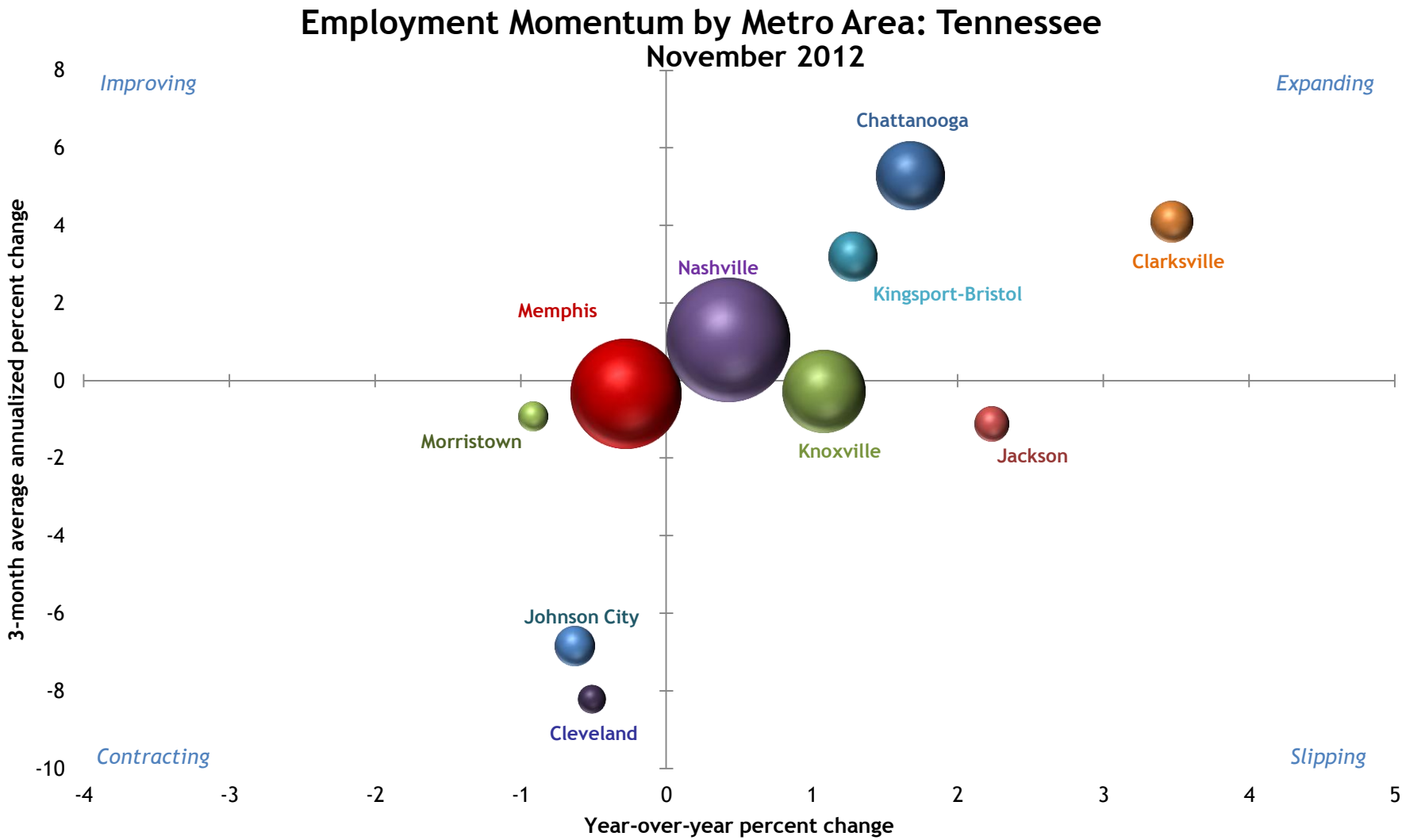
Employment losses in Tennessee metro areas were significant during the downturn. Most metro areas are slowly regaining jobs. Clarksville and Knoxville have regained and slightly exceeded jobs lost while Nashville is inching closer.



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

Employment growth momentum in several metropolitan areas expanded recently. Chattanooga, Clarksville, Nashville, and Kingsport-Bristol were in the expanding category in November.

[About Employment Momentum](#)

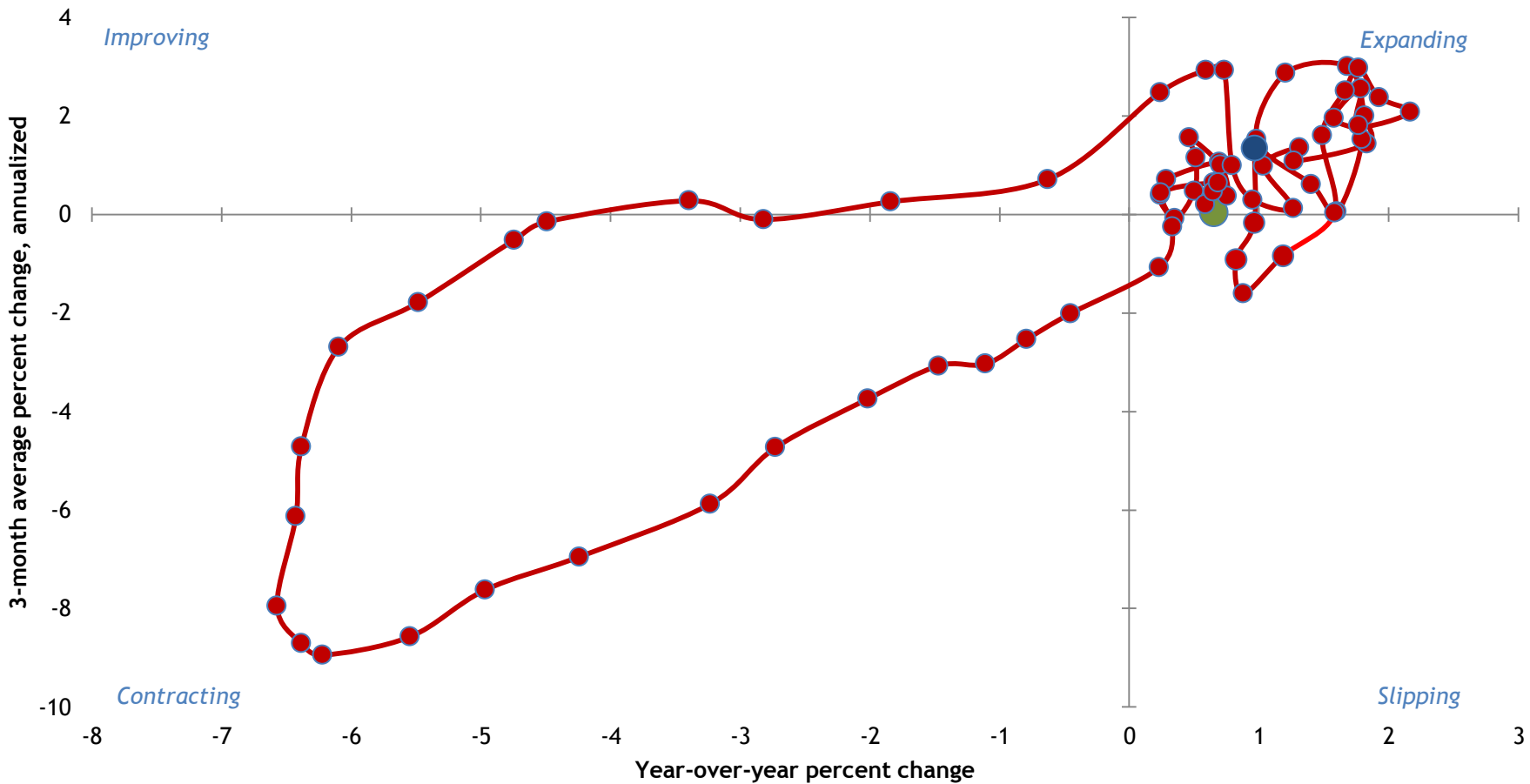


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum expanded in November after four consecutive months of slippage.

[About Employment Momentum Track](#)

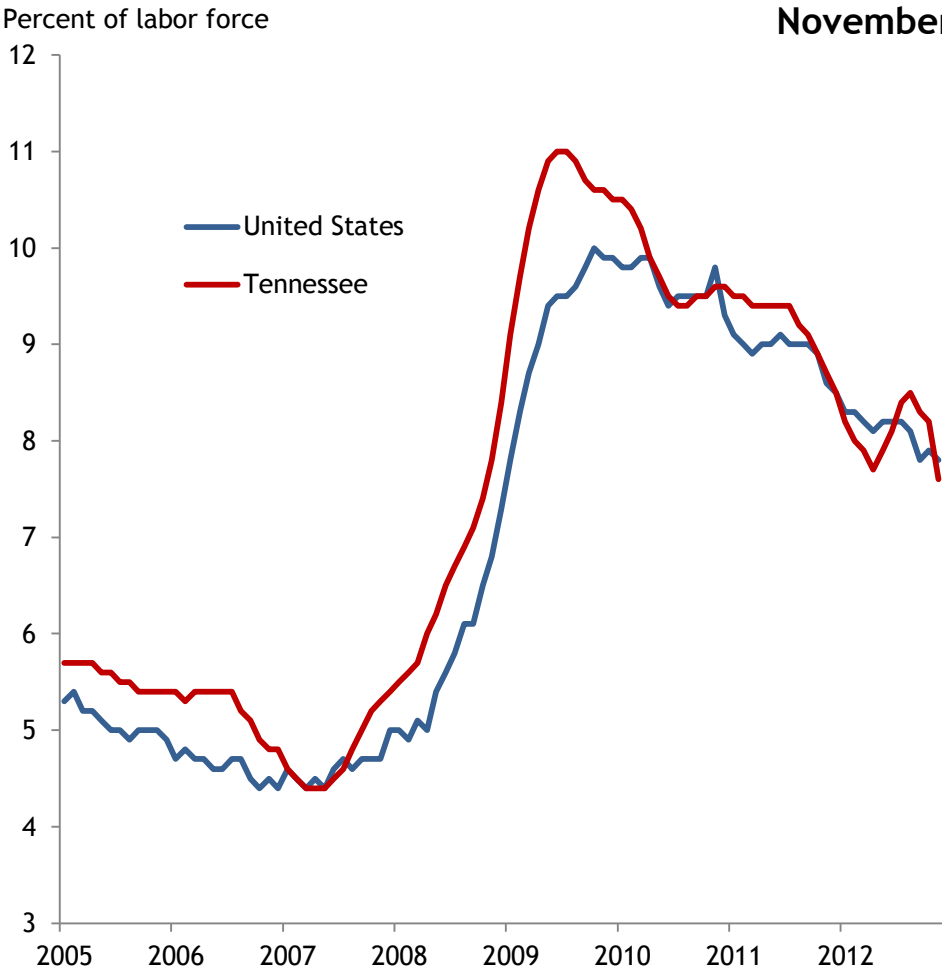
Employment Momentum Track: Tennessee
January 2007-November 2012



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

The unemployment rate for Tennessee has dipped for three consecutive months and is now lower than the national rate.

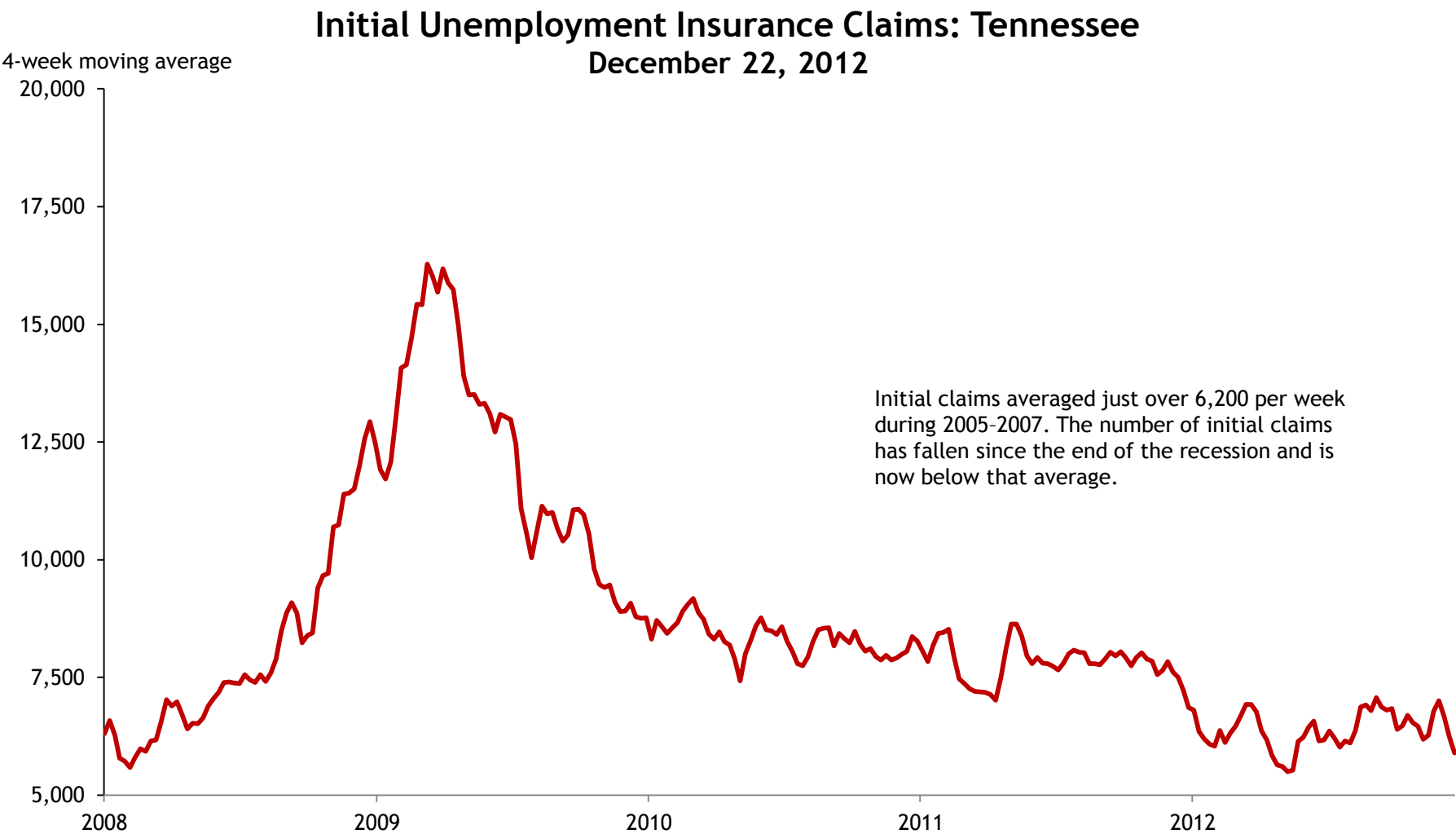
Unemployment Rates November 2012



Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.8	8.5	4.6
Tennessee	7.6	8.5	4.6
Chattanooga	6.4	7.3	4.4
Clarksville	7.5	8.8	5.7
Cleveland	7.0	8.1	4.9
Jackson	7.3	8.6	5.6
Johnson City	6.1	7.1	4.8
Kingsport-Bristol	6.3	7.2	4.8
Knoxville	5.4	6.3	4.1
Memphis	7.7	8.9	5.8
Morristown	8.5	9.9	6.1
Nashville	5.5	6.8	4.2

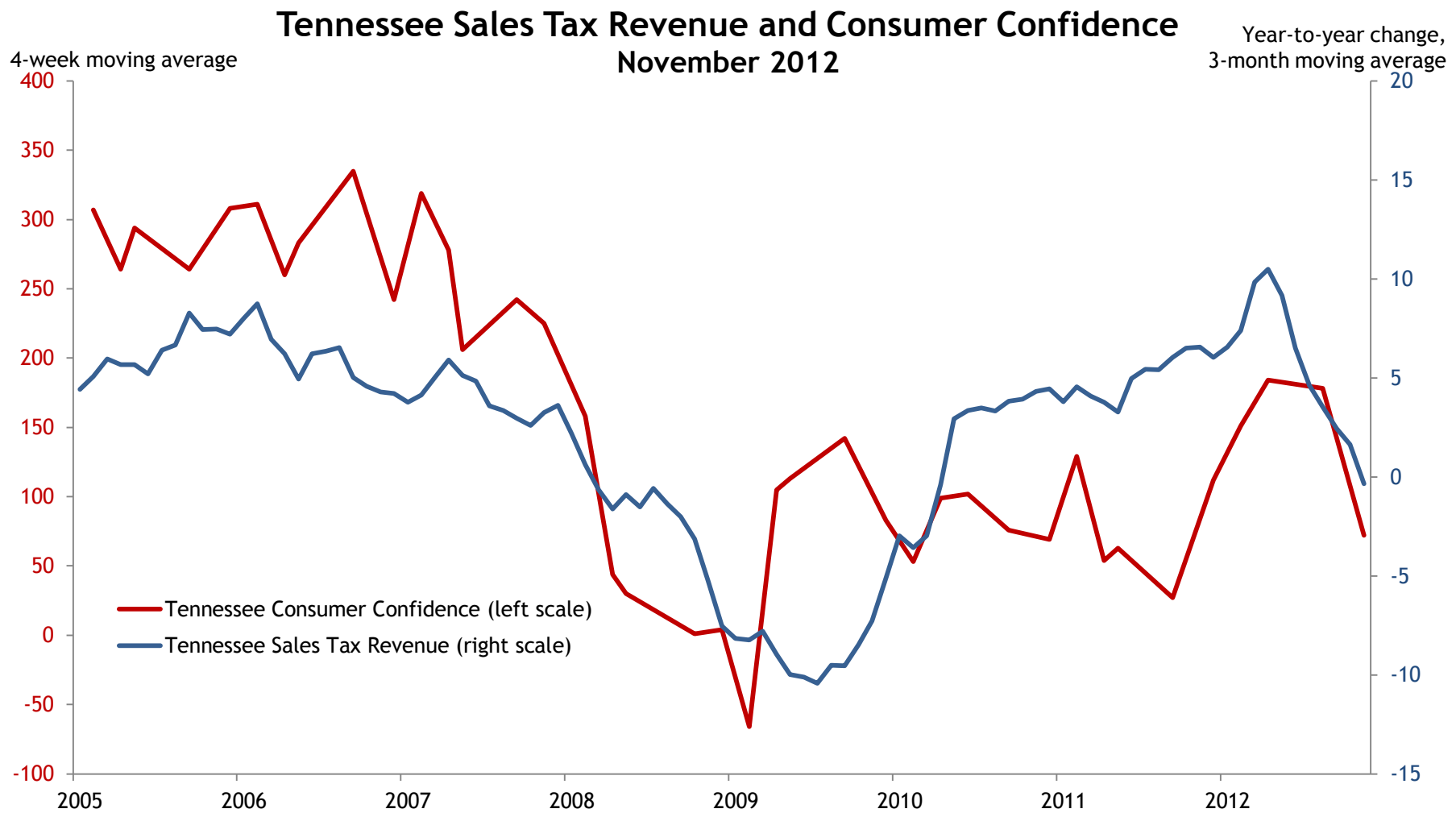
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial claims leveled off in 2012 at close to prerecession levels.



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

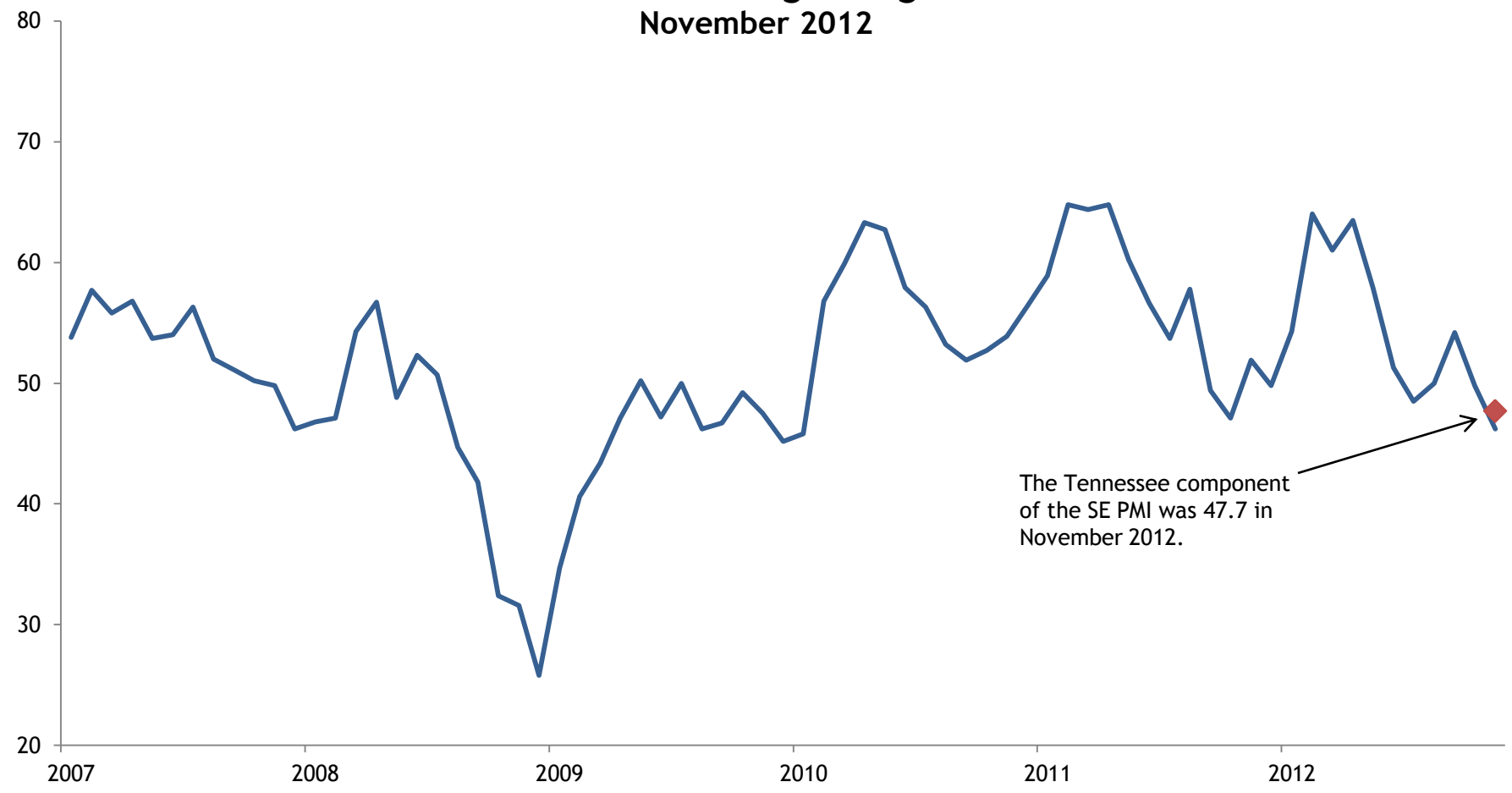
Growth of sales tax revenue in Tennessee has decelerated over the past few months. Consumer confidence has been trending down since April.



Source: Middle Tennessee State University, Tennessee Department of Revenue

Regional manufacturing activity has declined for two consecutive months, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. In Tennessee, manufacturing activity continued to contract.

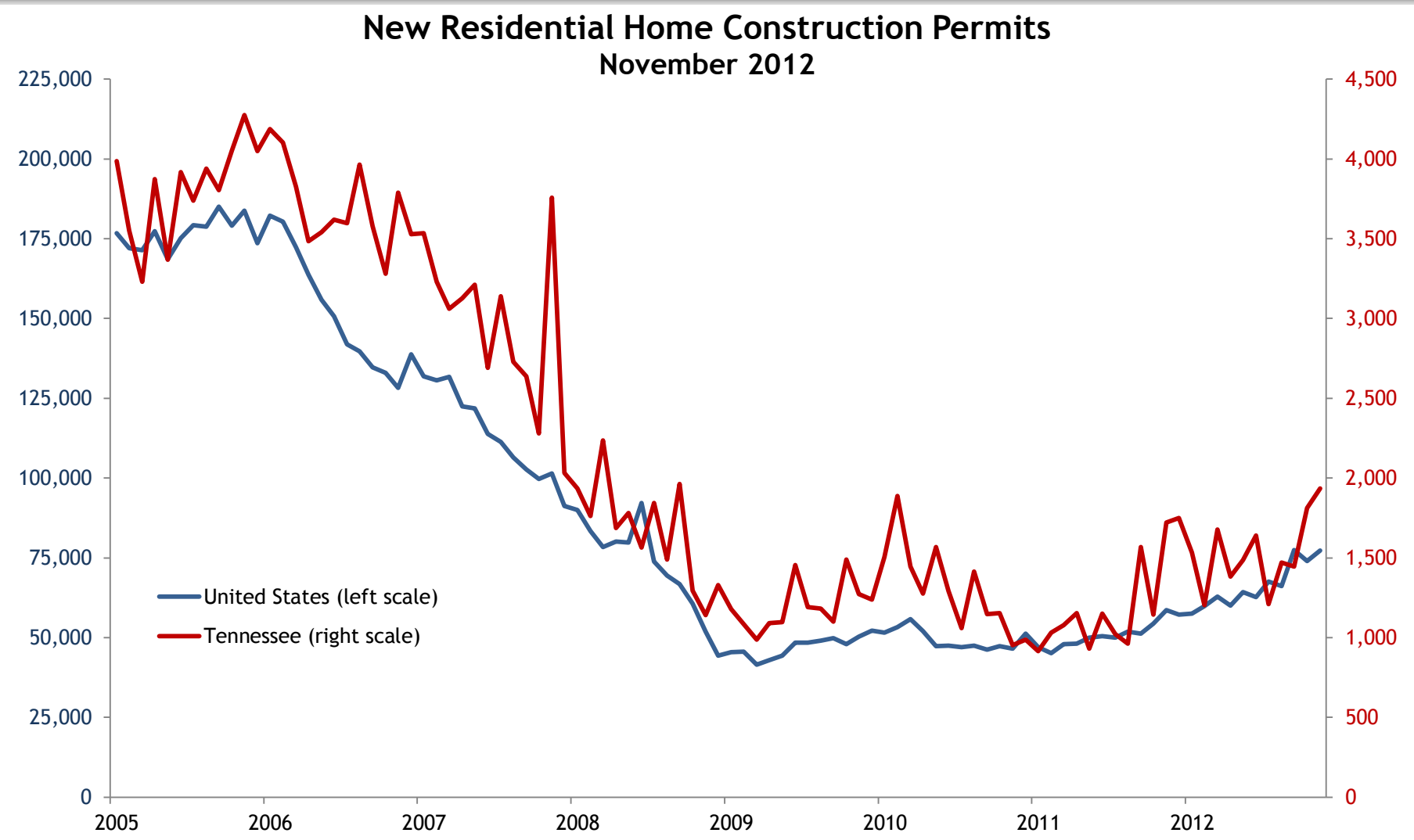
Southeast Purchasing Managers Index
November 2012



The Tennessee component of the SE PMI was 47.7 in November 2012.

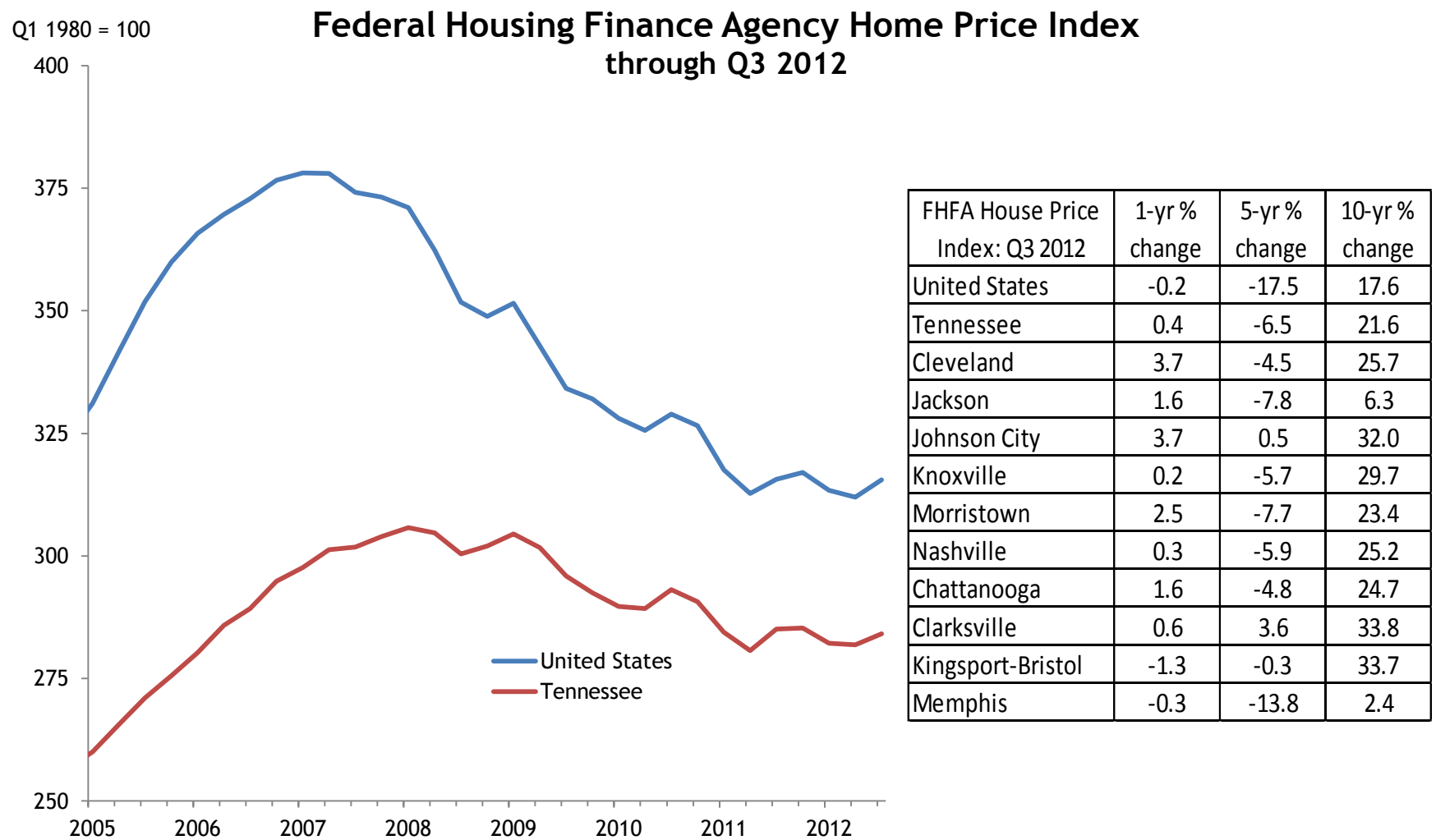
Note: 50+ = Expansion
Source: Kennesaw State University, Coles College of Business Econometric Center

New home construction permits for the United States and Tennessee remain at historically low levels, although in 2012 they've trended higher on a national level and ticked up recently in Tennessee.



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

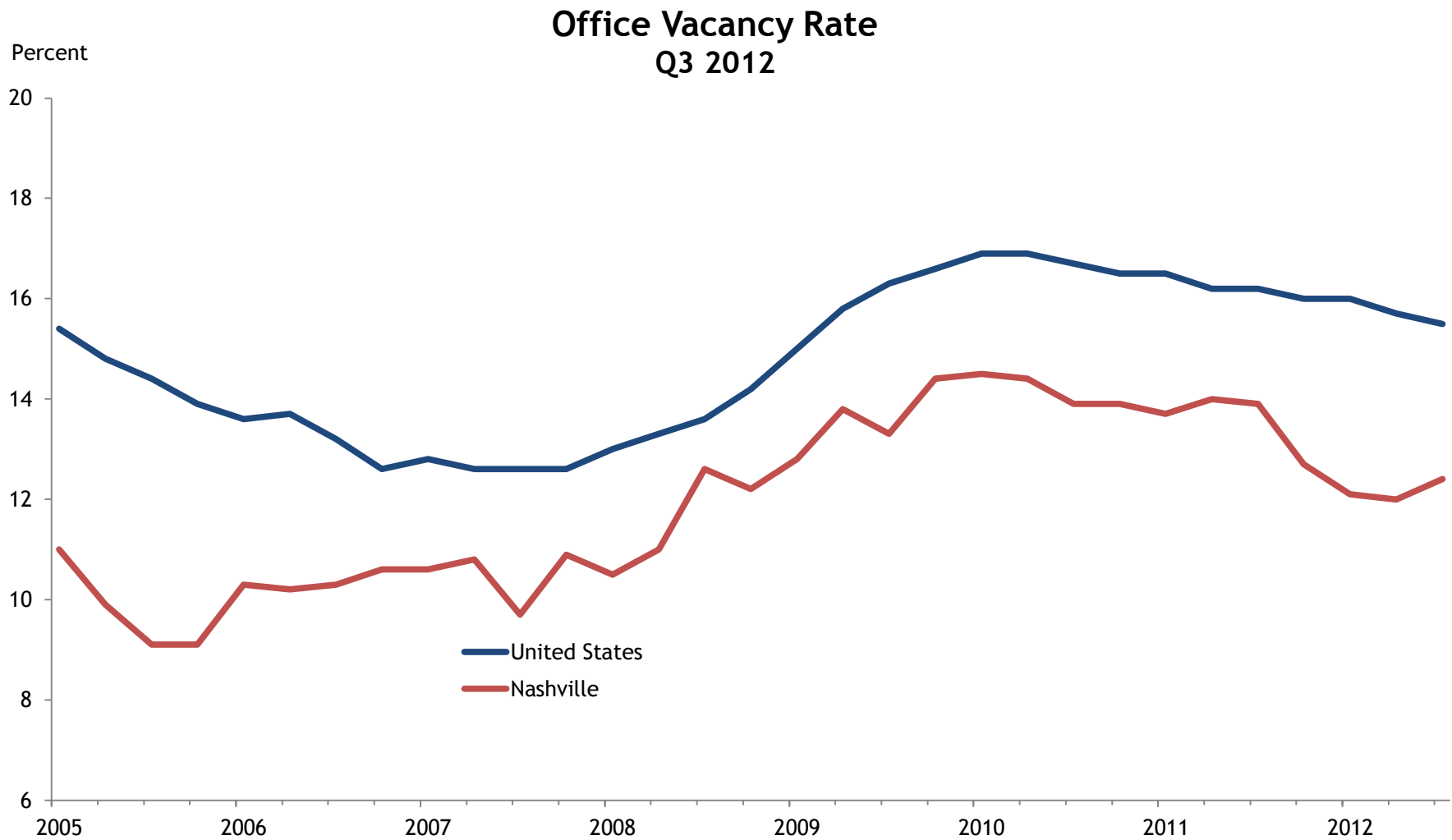
Home prices in Tennessee had declined at a slower pace than in the United States as a whole. In Tennessee, prices rose slightly in the third quarter and were just above year-ago levels.



Source: Federal Housing Finance Agency, Haver Analytics

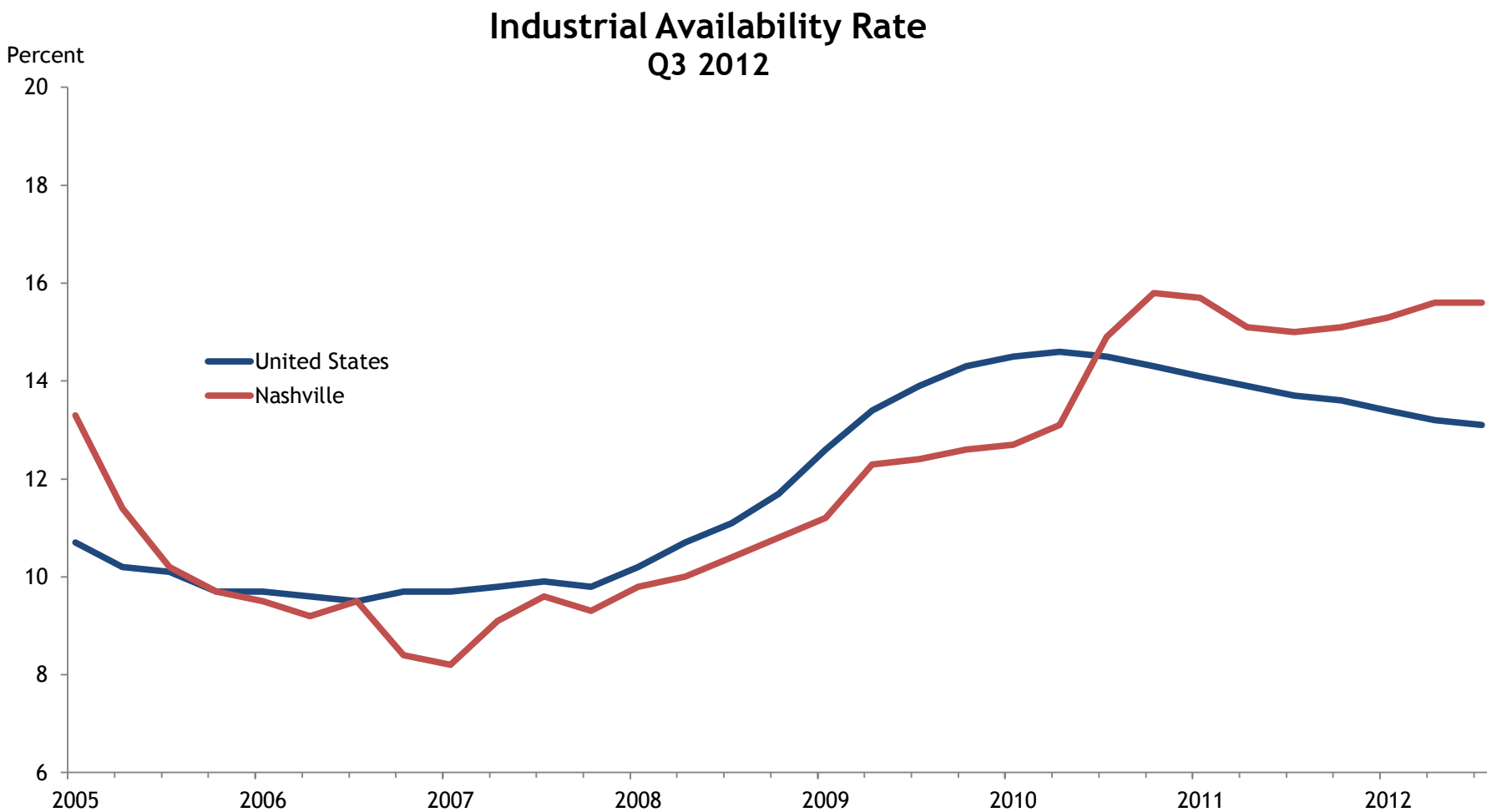
Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

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



Source: CB Richard Ellis, Haver Analytics

Industrial availability rates remain elevated throughout the United States. Nashville's rate has remained essentially unchanged above the national level for two years.



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.