



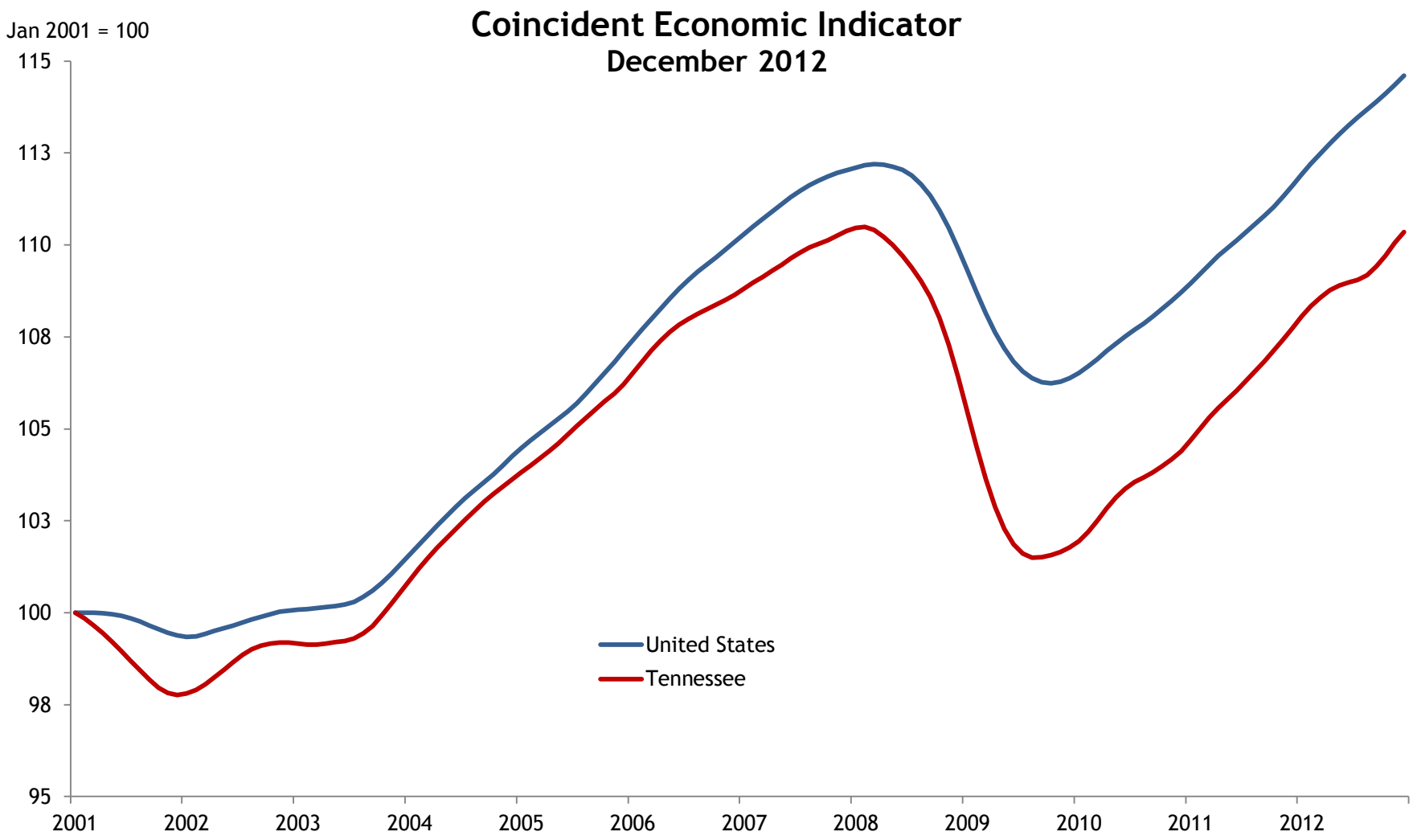
Data Digest: Tennessee

February 2013



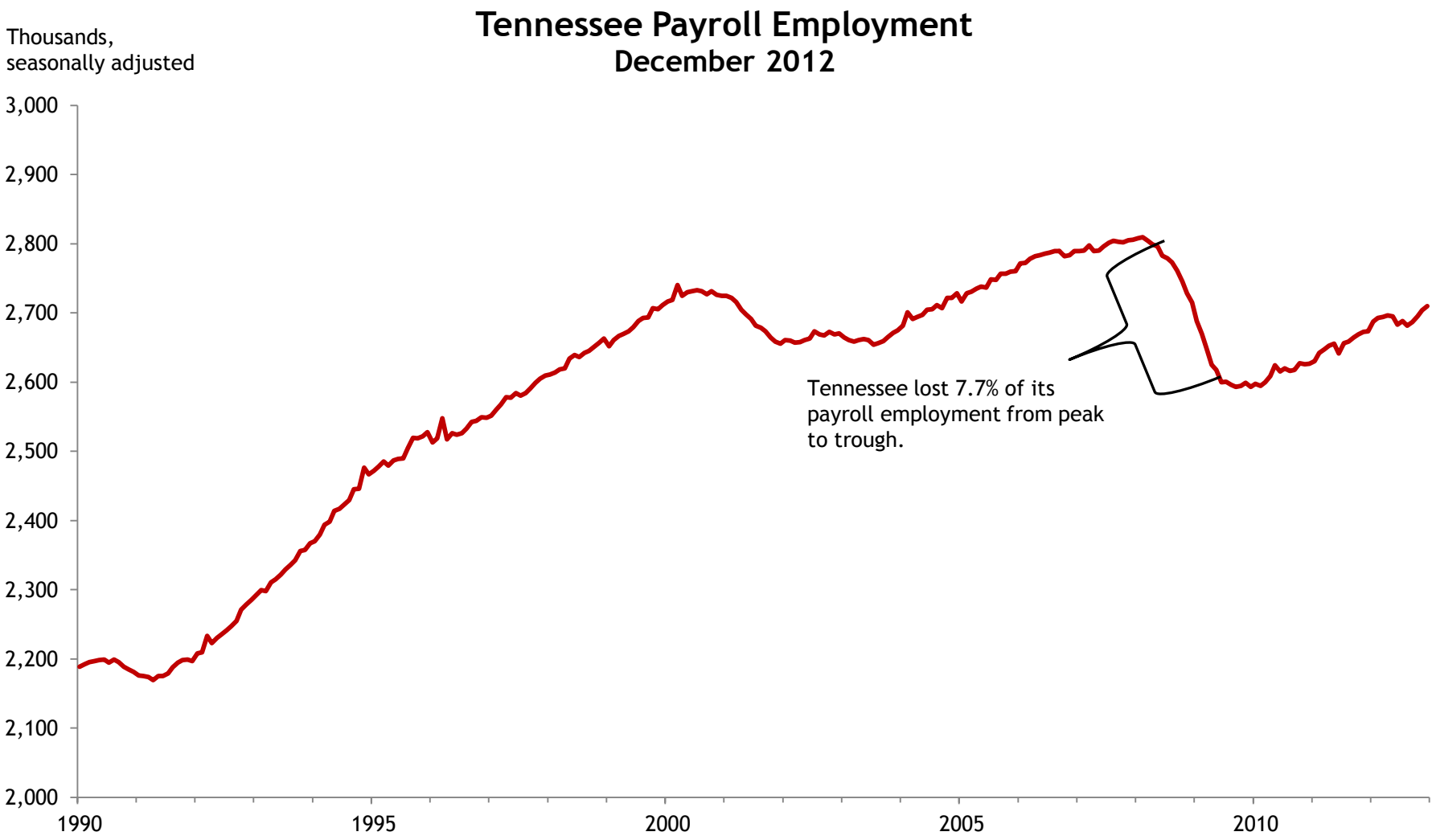
Tennessee's economic performance largely mirrors that of the United States.

[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

For more than two years, total employment in Tennessee has been on an upward trend. While payroll growth stalled for several months in 2012, it ticked up in November and December.

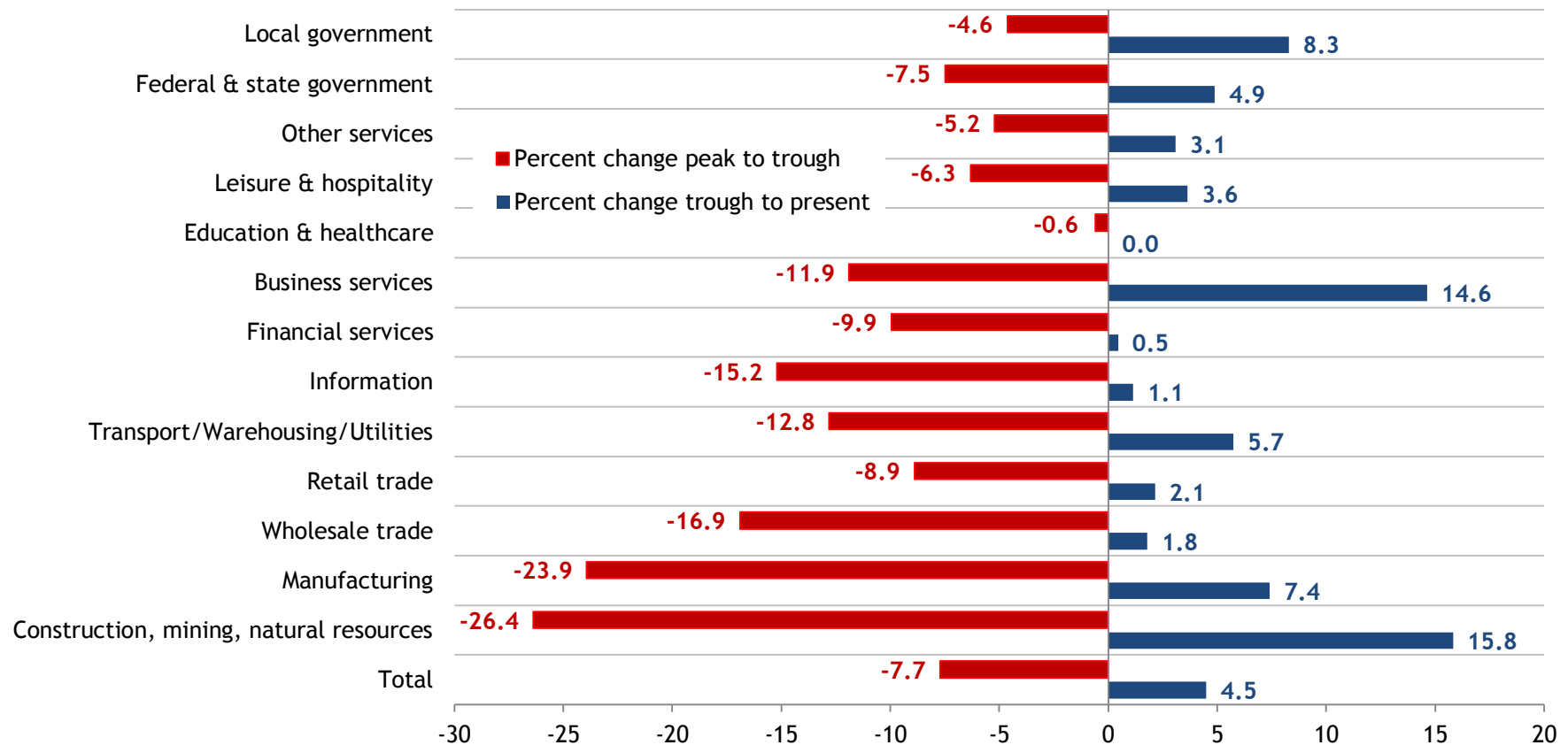


Tennessee lost 7.7% of its payroll employment from peak to trough.

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

All industries lost some jobs during their downturn; manufacturing and construction, mining, natural resources saw significant declines. Led by construction, mining, and natural resources, most major industries have added jobs during the recovery.

Employment Loss and Gain by Industry: Tennessee December 2012



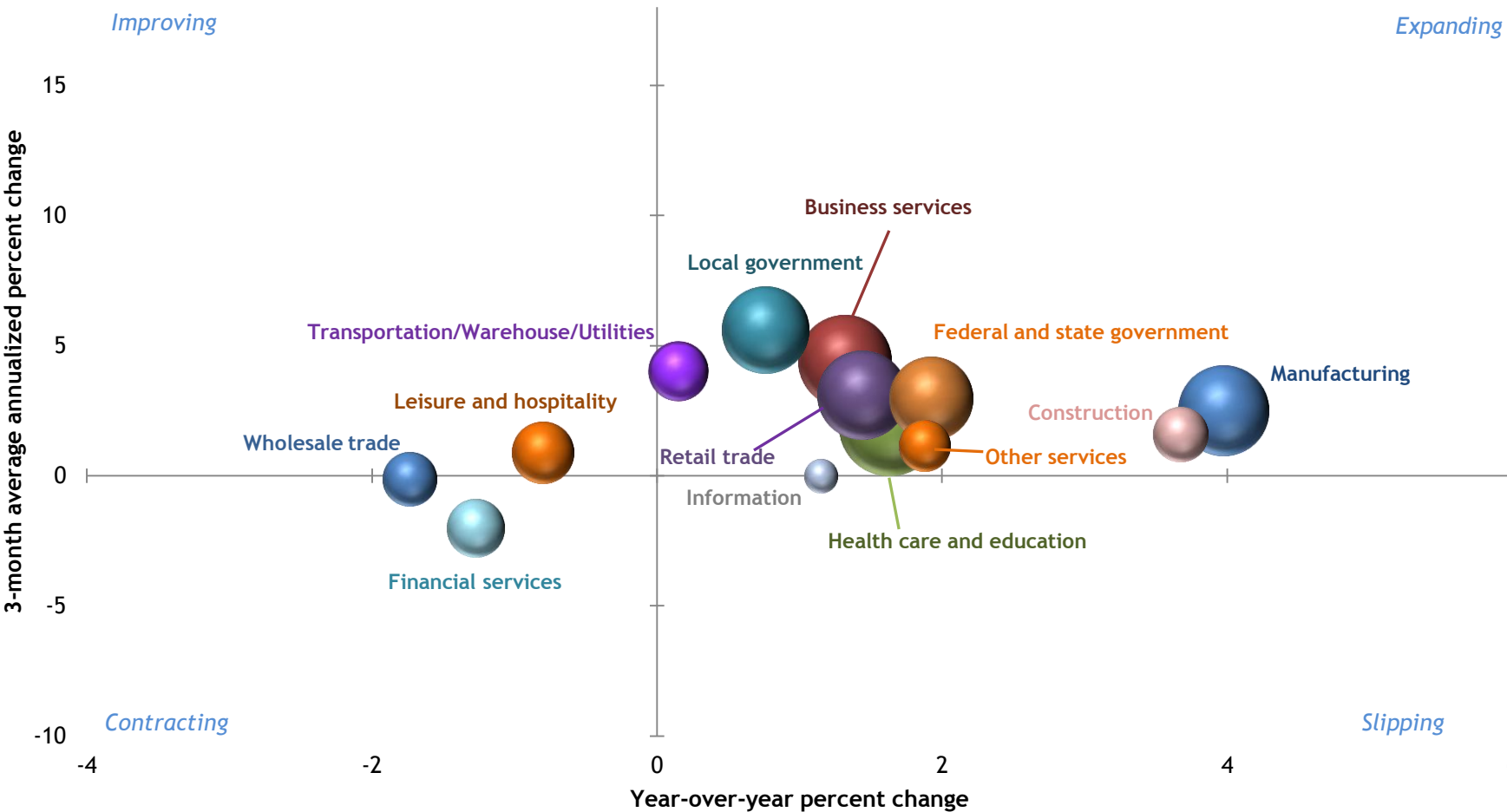
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent 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. Most industries were in the “expanding” category in December.

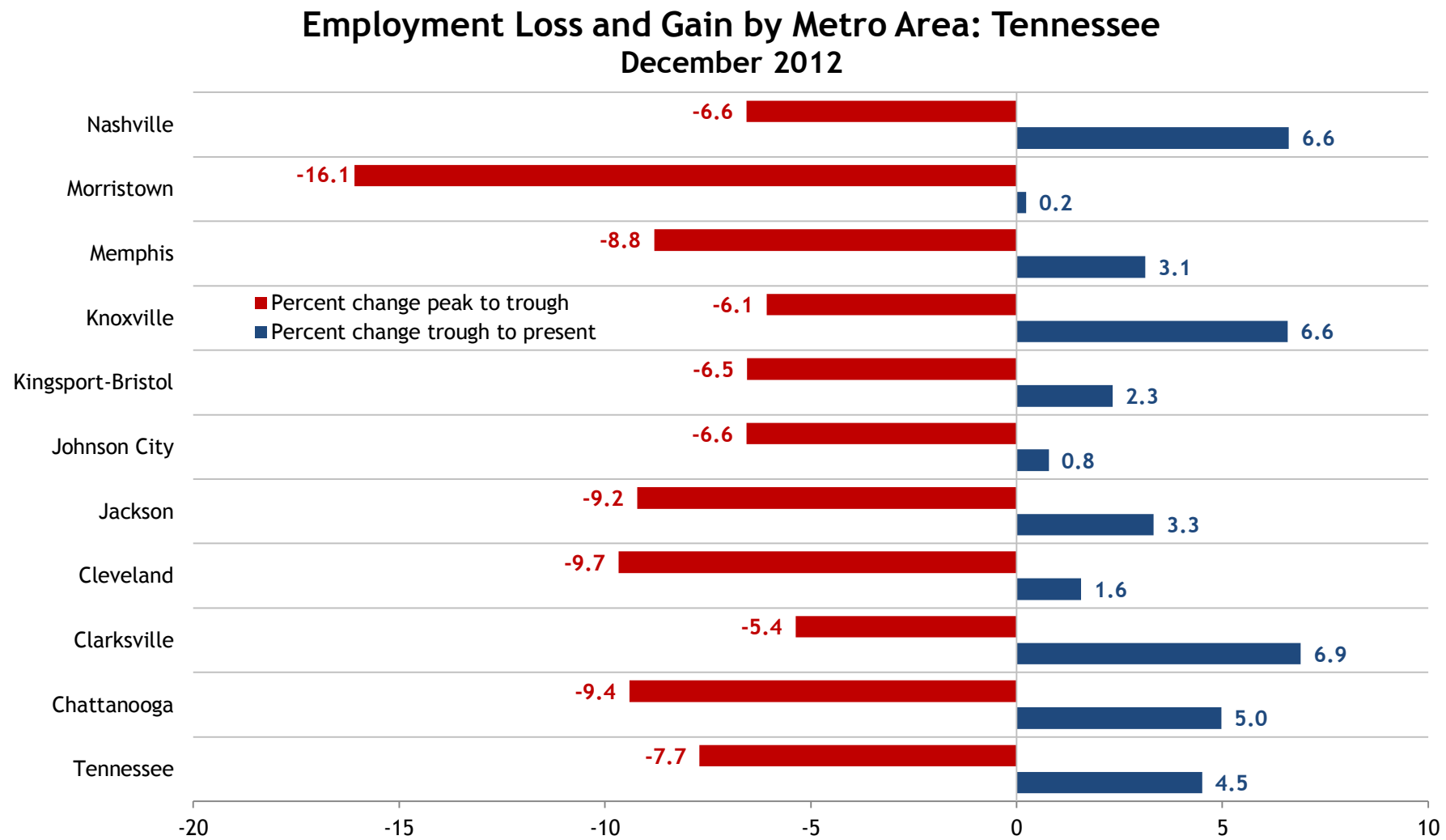
[About Employment Momentum](#)

Employment Momentum by Industry: Tennessee December 2012



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. Knoxville and Clarksville have regained all jobs lost.

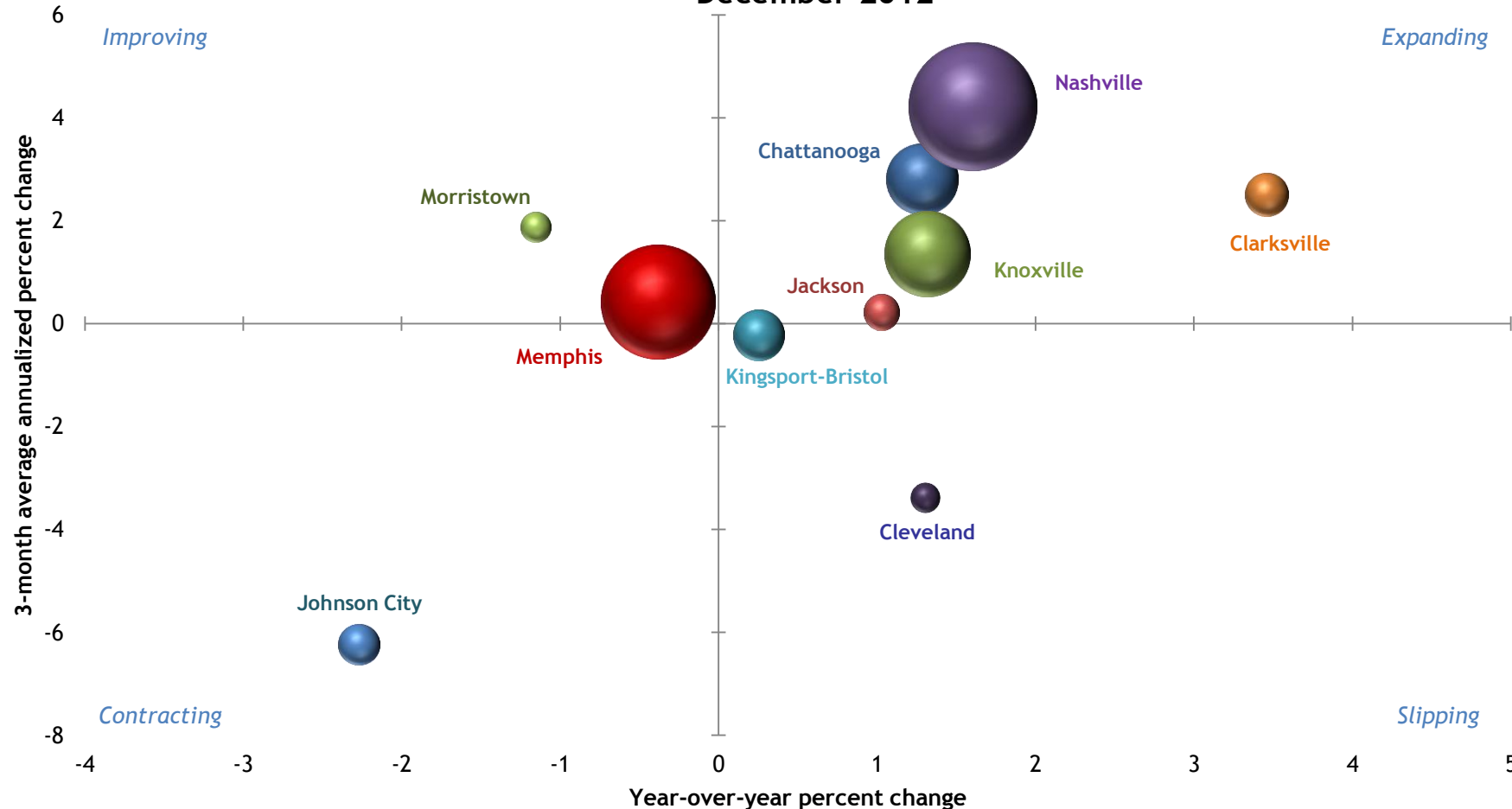


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment growth momentum in several metropolitan areas has expanded. Chattanooga, Clarksville, Jackson, Knoxville, and Nashville were in the expanding category in December.

[About Employment Momentum](#)

Employment Momentum by Metro Area: Tennessee
December 2012

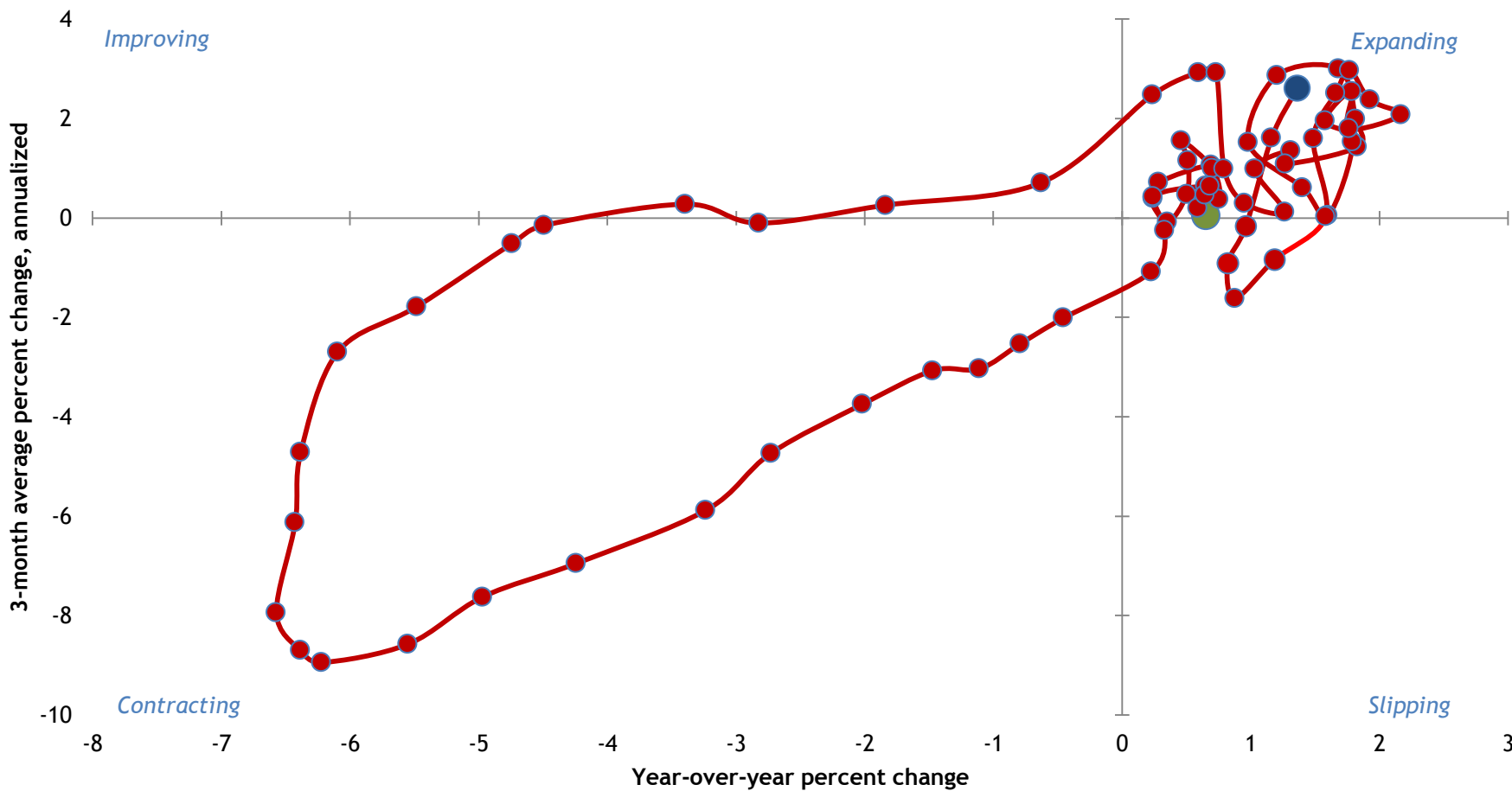


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum expanded in November and December after four consecutive months of slipping.

[About Employment Momentum Track](#)

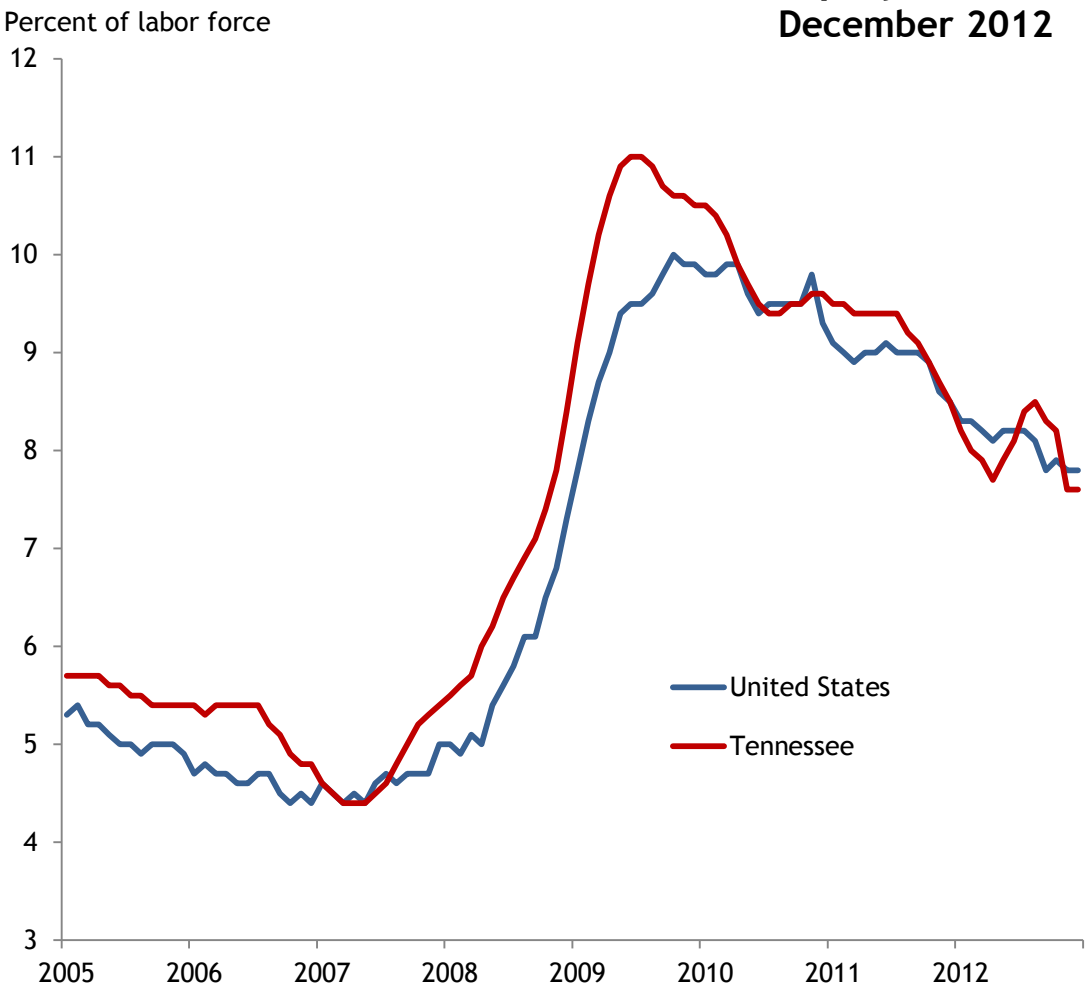
Employment Momentum Track: Tennessee
January 2007-December 2012



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

The unemployment rate for Tennessee held steady from November to December, after falling for three consecutive months. The state's unemployment rate is now lower than the national rate.

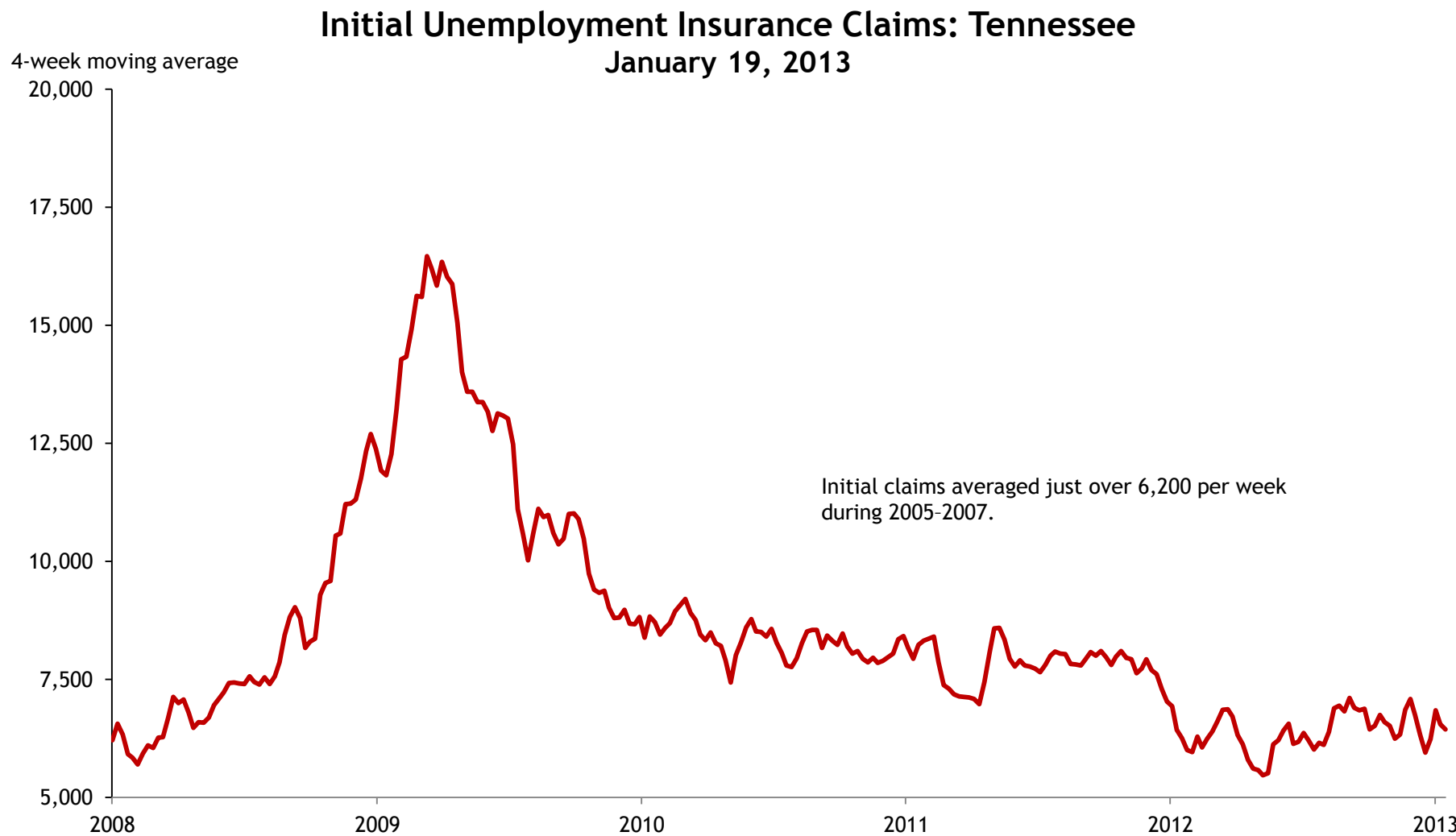
Unemployment Rates December 2012



Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.8	8.5	4.6
Tennessee	7.6	8.5	4.6
Chattanooga	7.2	7.3	4.4
Clarksville	8.1	8.8	5.7
Cleveland	7.6	8.1	4.9
Jackson	8.0	8.6	5.6
Johnson City	7.1	7.1	4.8
Kingsport-Bristol	6.9	7.2	4.8
Knoxville	6.0	6.3	4.1
Memphis	8.6	8.9	5.8
Morristown	9.3	9.9	6.1
Nashville	6.1	6.8	4.2

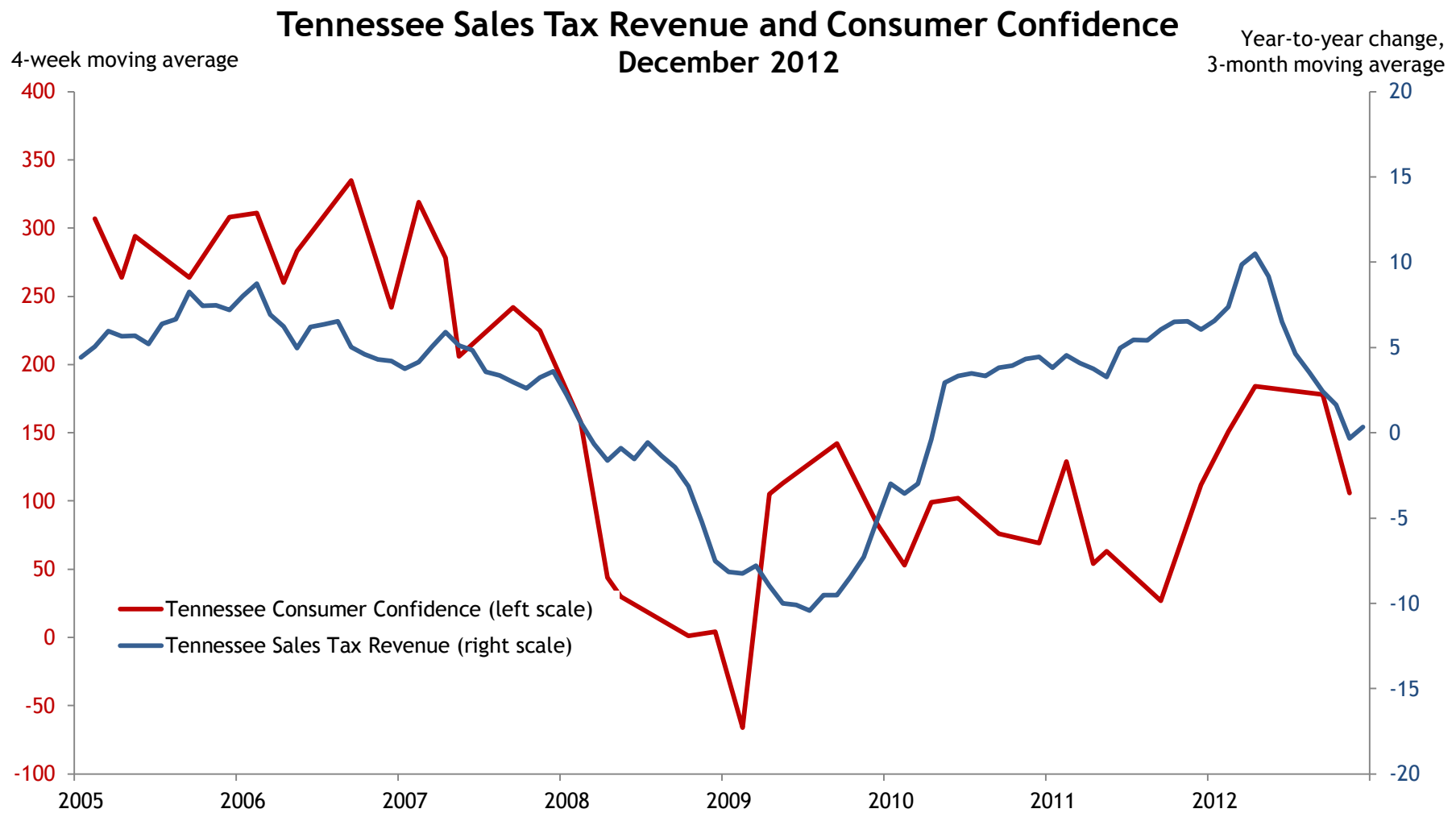
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial unemployment insurance claims leveled off in 2012, close to prerecession levels.



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

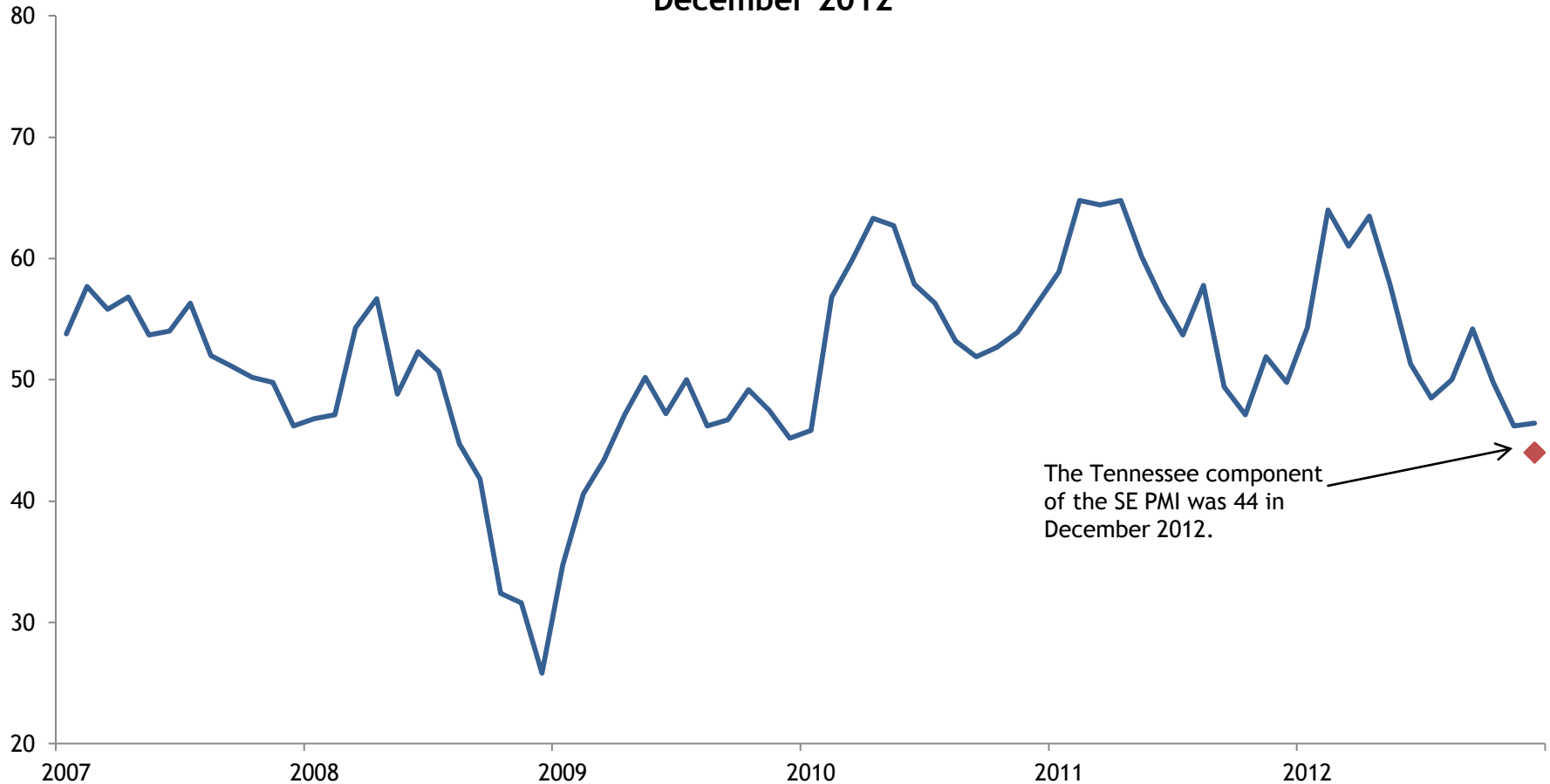
Growth of sales tax revenue in Tennessee had decelerated over the past few months, but ticked up slightly in December. Consumer confidence has been trending down since April.



Note: Consumer Confidence data are through November 2012.
Source: Middle Tennessee State University, Tennessee Department of Revenue

Regional manufacturing activity has contracted for three consecutive months, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. In Tennessee, manufacturing activity contracted for the sixth consecutive month.

Southeast Purchasing Managers Index December 2012

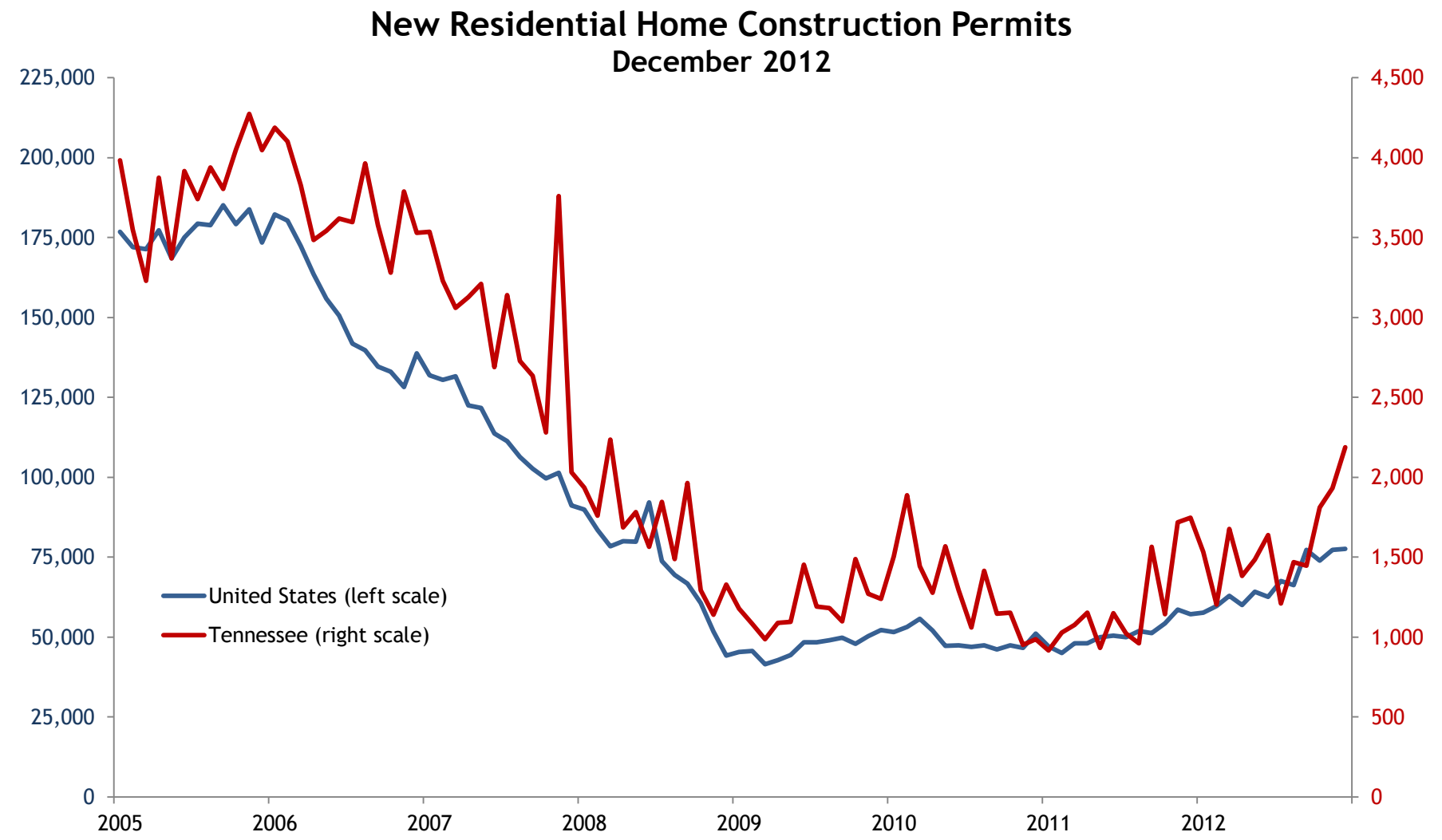


The Tennessee component of the SE PMI was 44 in December 2012.

Note: 50+ = Expansion

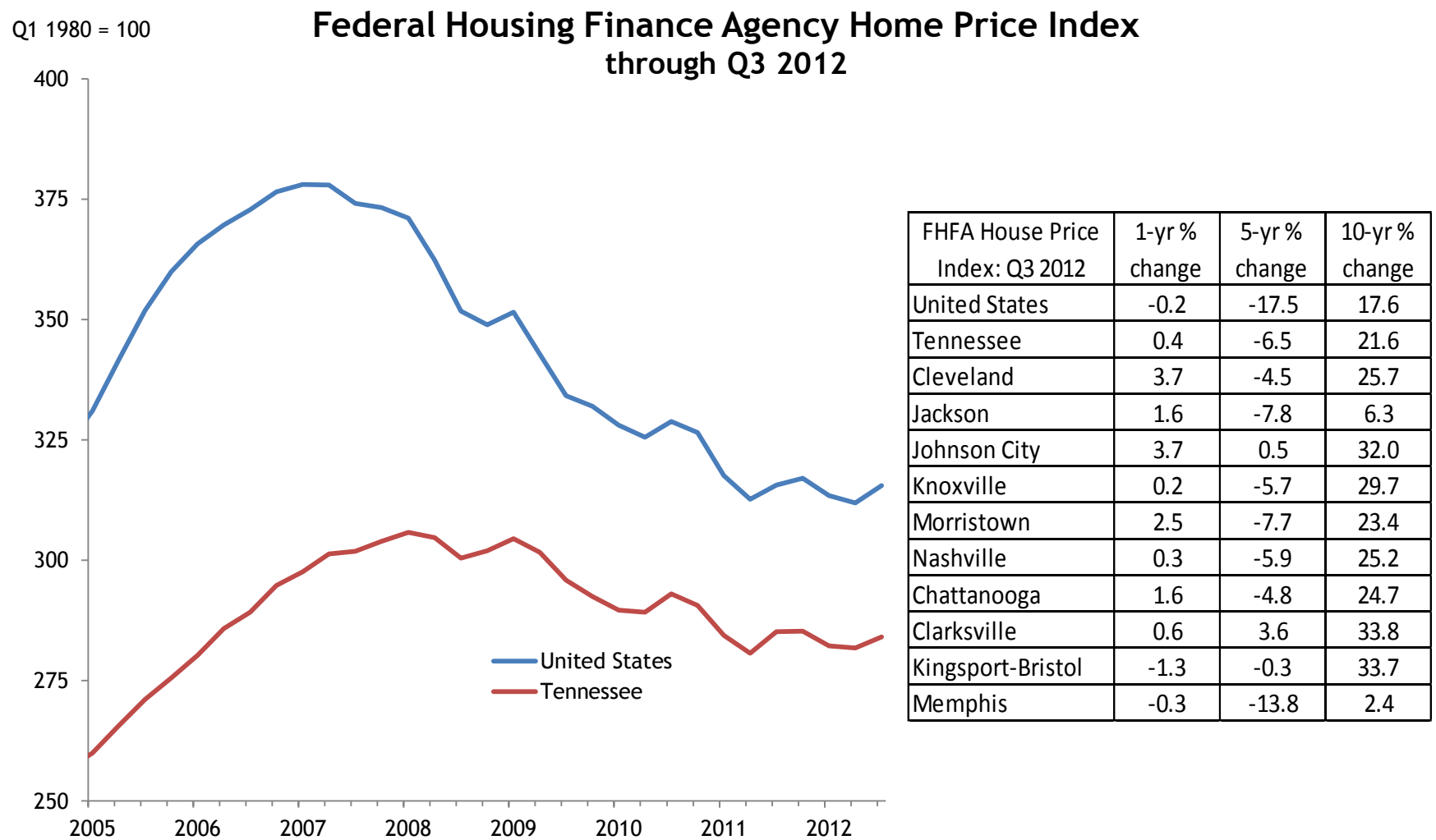
Source: Kennesaw State University, Coles College of Business Econometric Center

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



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

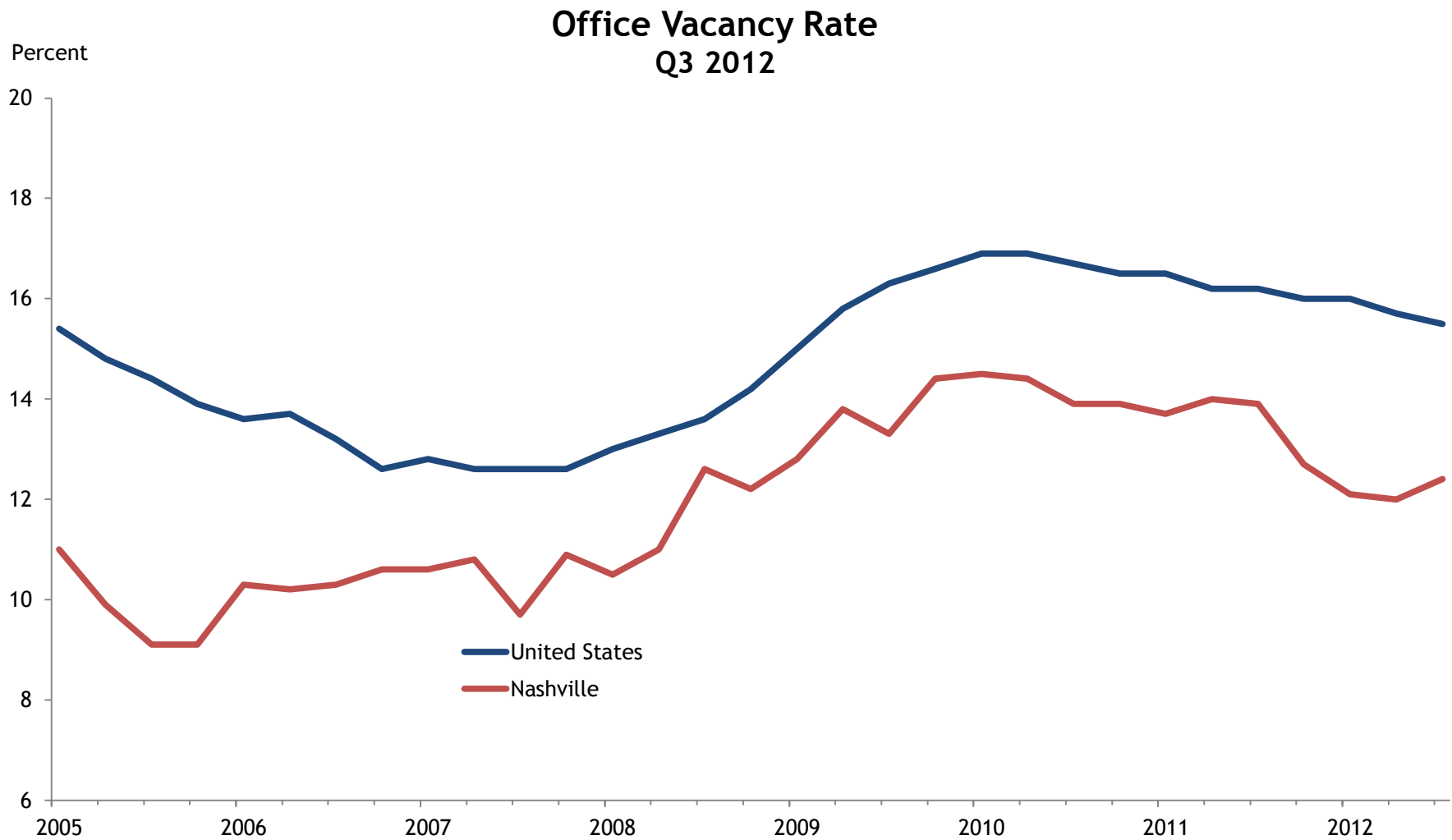
Home prices in Tennessee had declined at a slower pace than in the United States as a whole. Prices rose slightly in the third quarter and were just below year-ago levels, both in Tennessee and the United States.



Source: Federal Housing Finance Agency, Haver Analytics

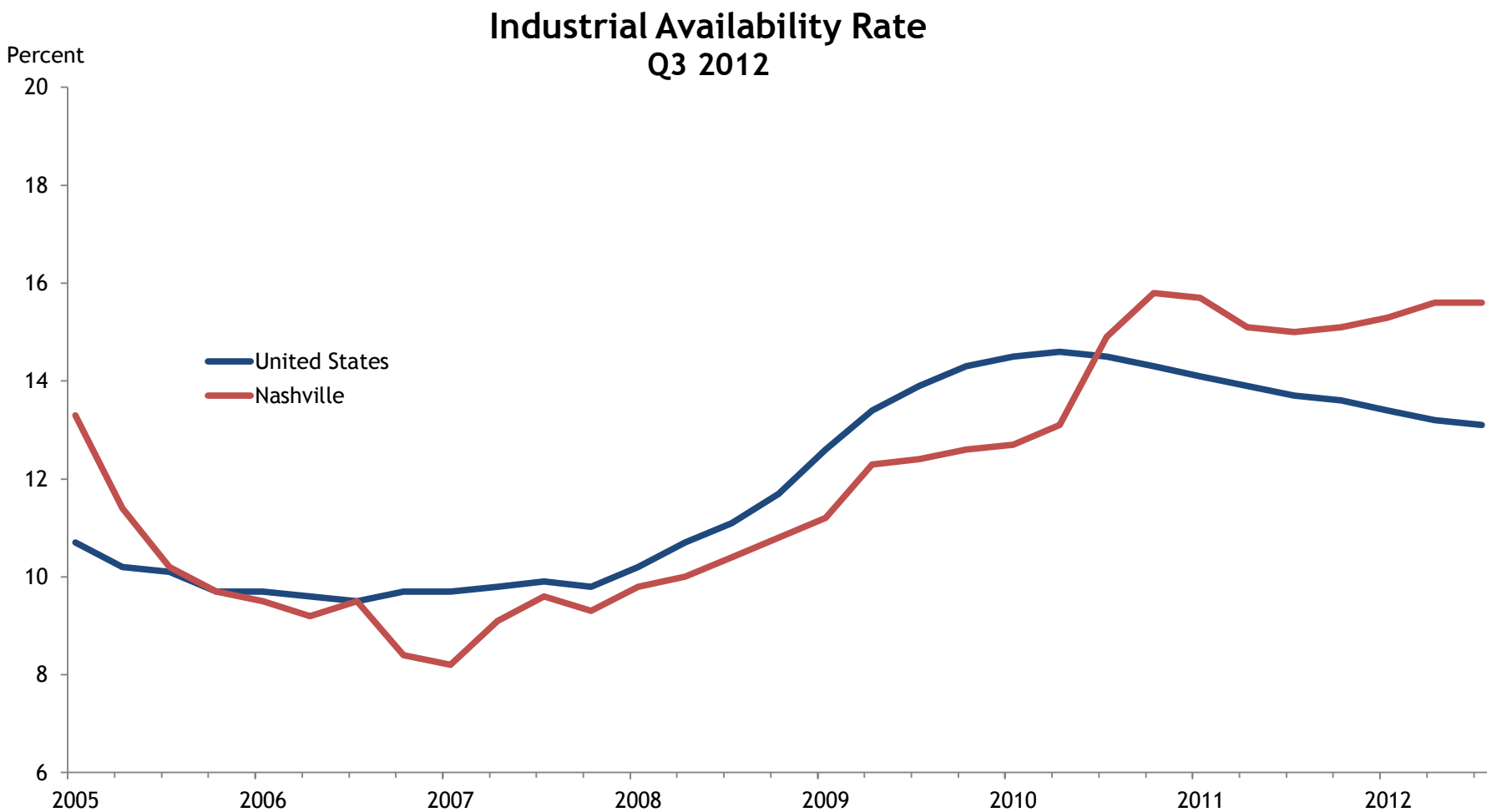
Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

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 since the third quarter of 2011, but ticked up in the third quarter of 2012.



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.