



Data Digest: Tennessee

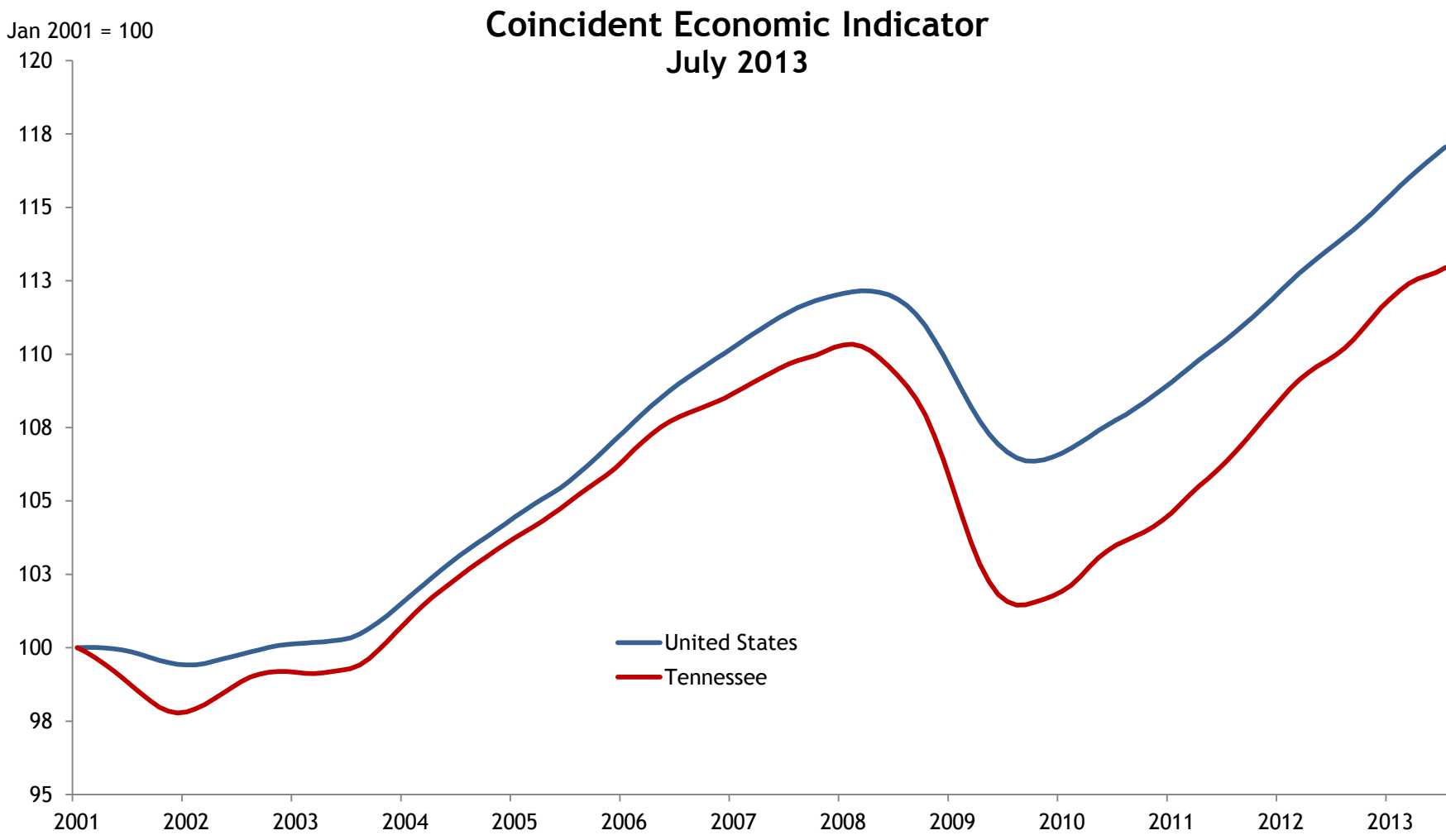
September 2013



**FEDERAL
RESERVE
BANK**
of ATLANTA

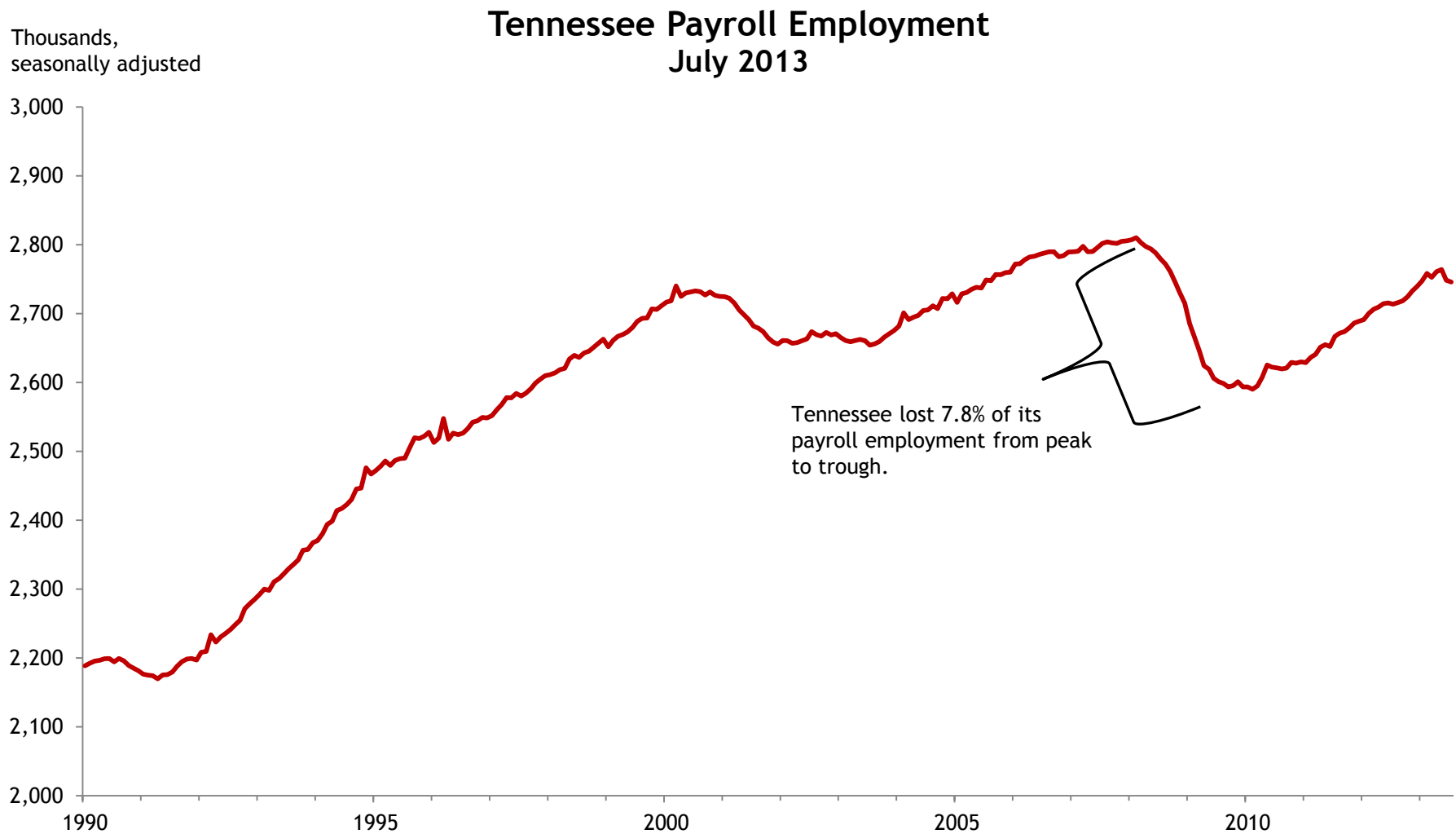
Tennessee's economic performance largely mirrors that of the United States.

[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

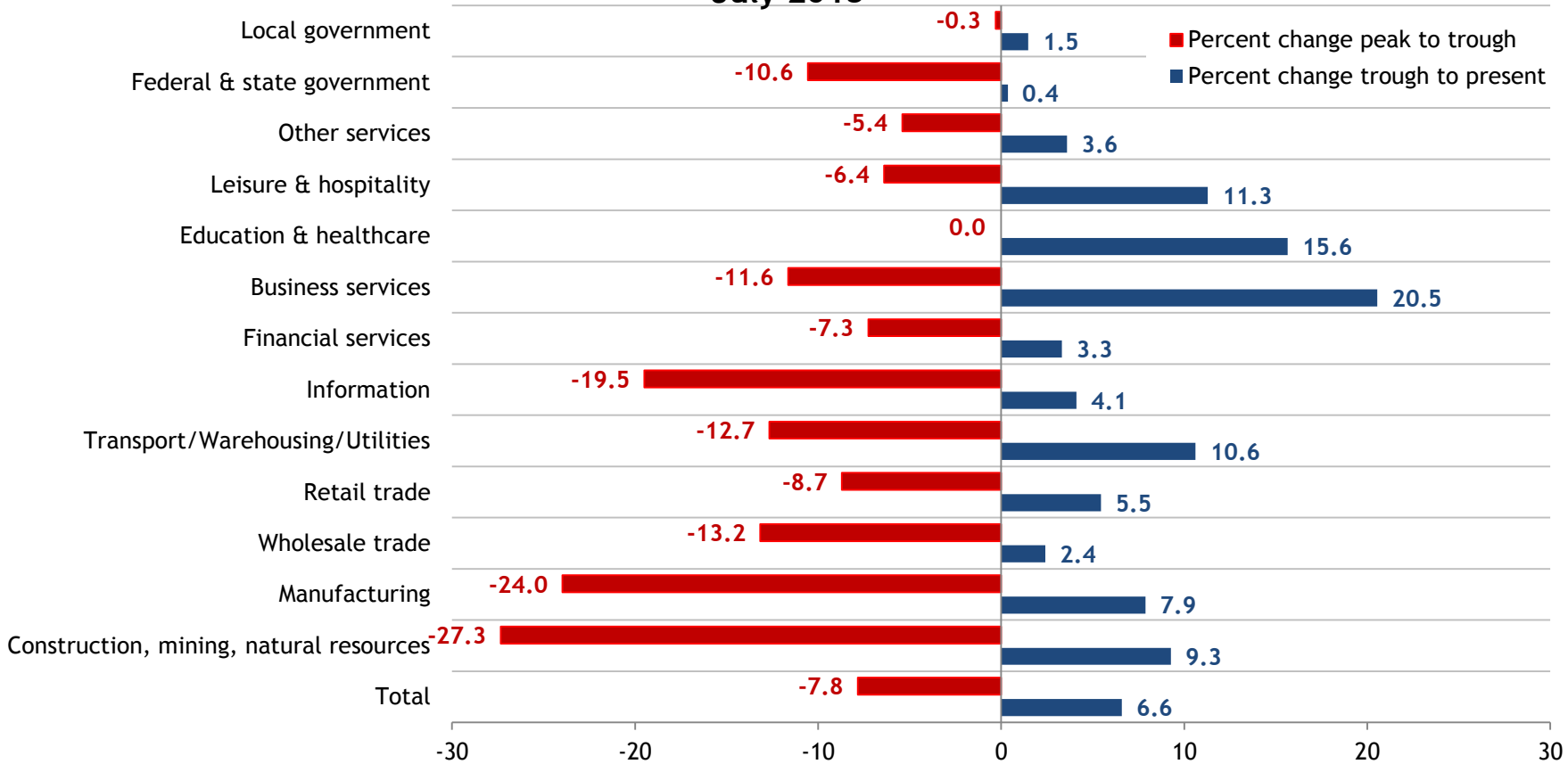
For about three years, total employment in Tennessee had been on an upward trend. Payroll growth has leveled off in recent months. Following slight increases in April and May, payrolls ticked down in June and July.



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

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

Employment Loss and Gain by Industry: Tennessee July 2013



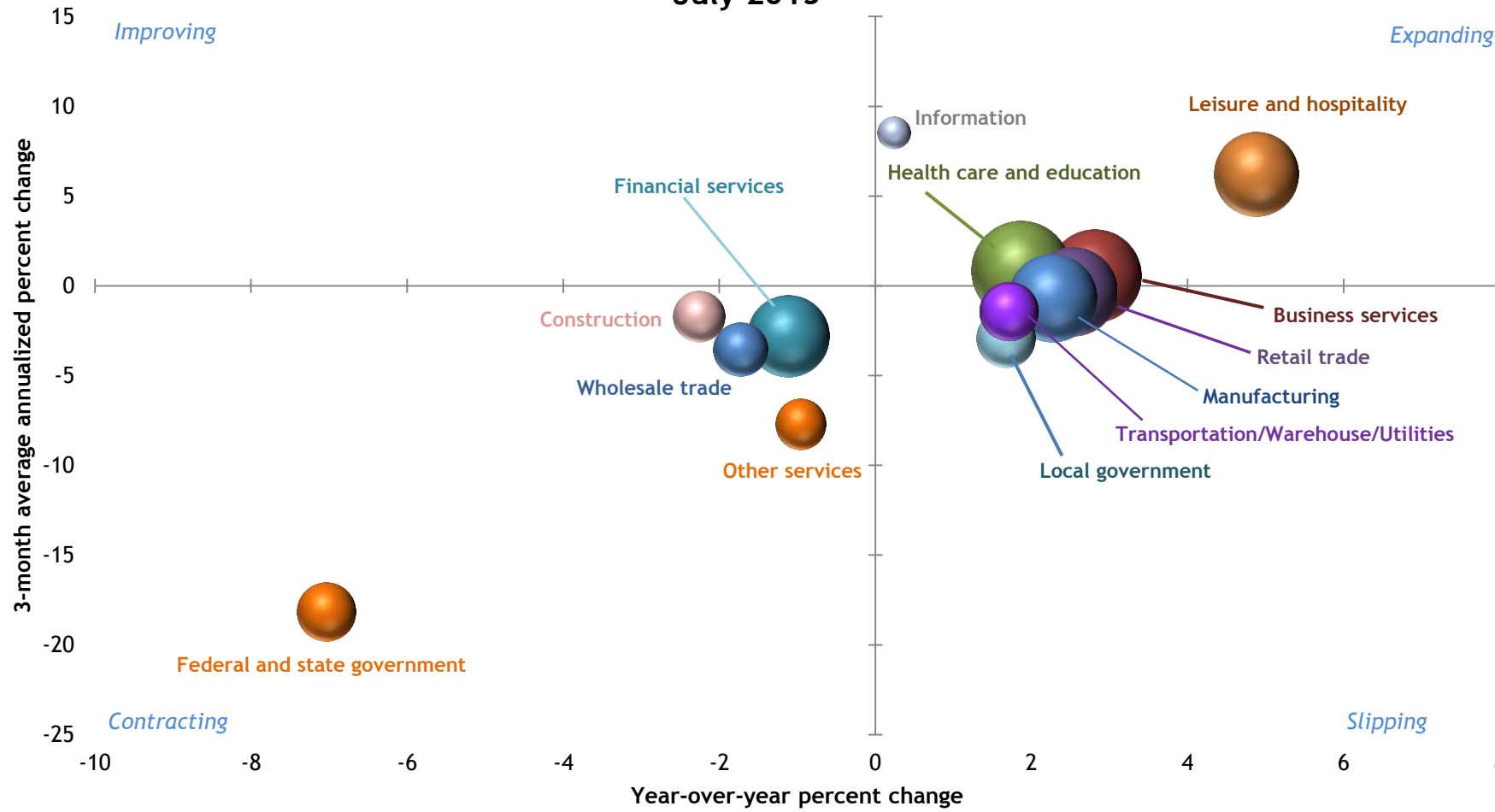
Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

Employment growth momentum has lost steam during recent months. Only two major industries were firmly in the expanding category during July.

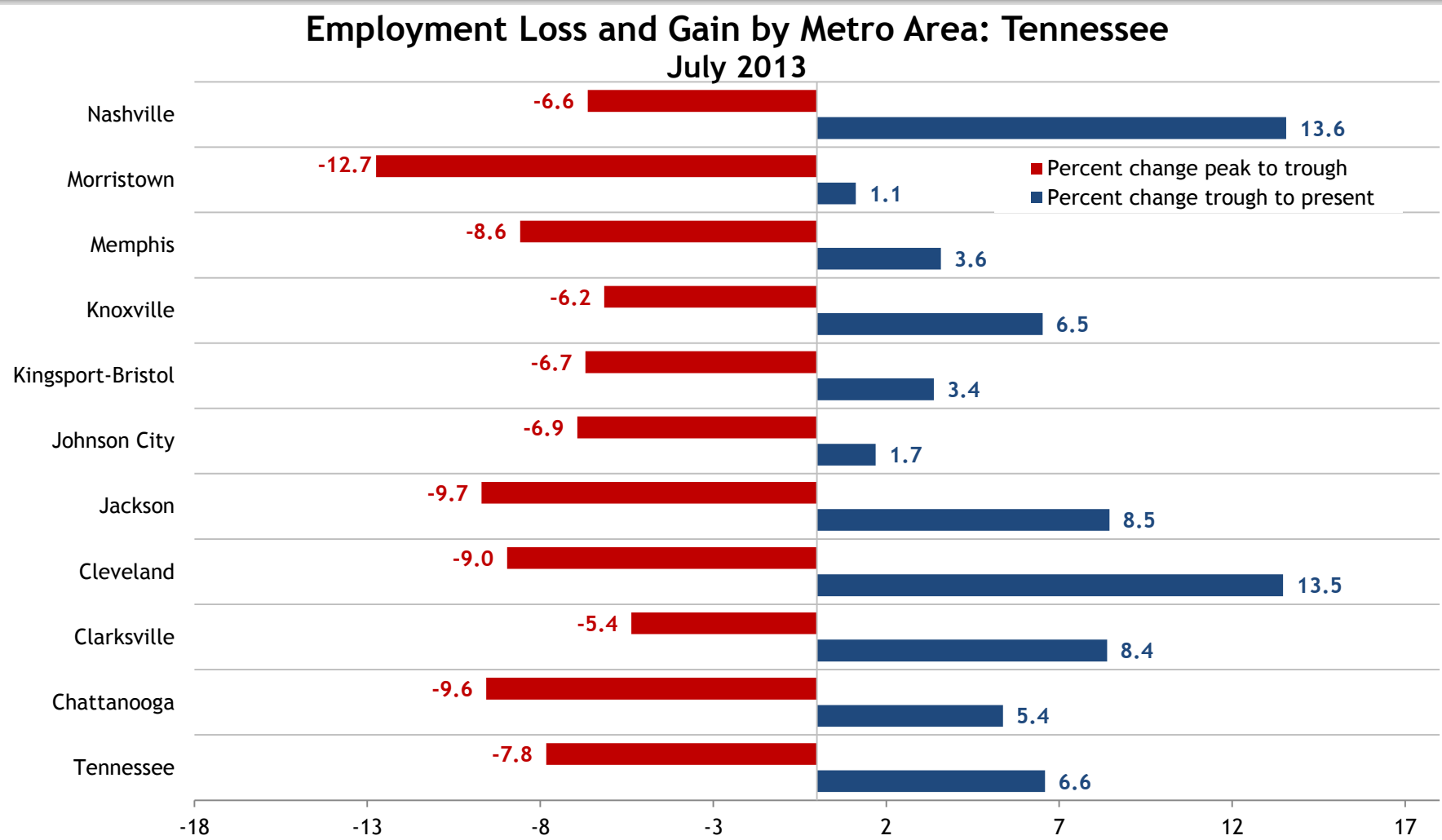
[About Employment Momentum](#)

Employment Momentum by Industry: Tennessee July 2013



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

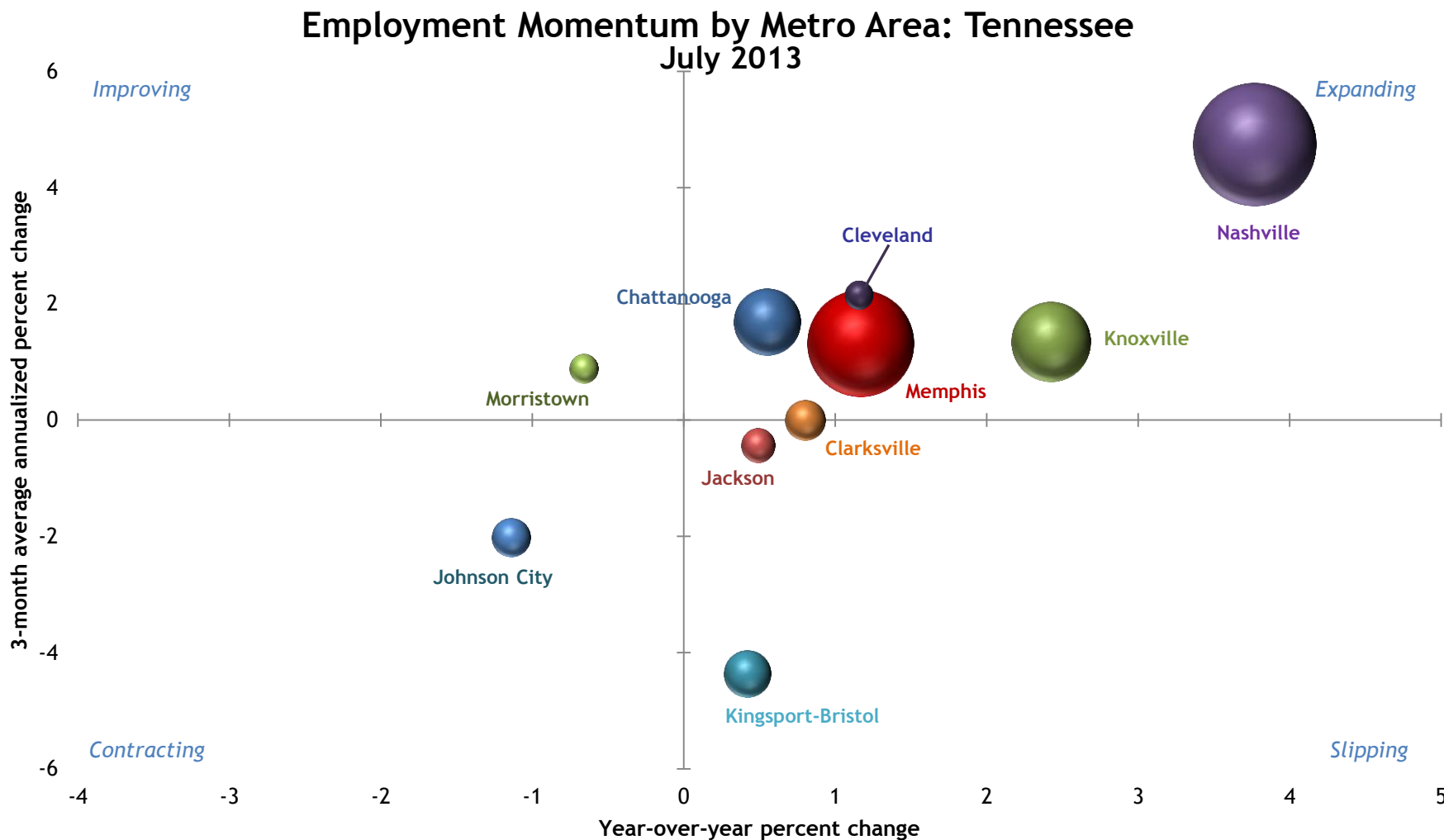
Employment losses in Tennessee metro areas were significant during the downturn. All major cities have regained some jobs. Nashville, Cleveland, Knoxville, and Clarksville have regained all jobs lost.



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

Employment growth momentum has slowed recently, but for several major metropolitan areas employment momentum was still expanding in July.

[About Employment Momentum](#)

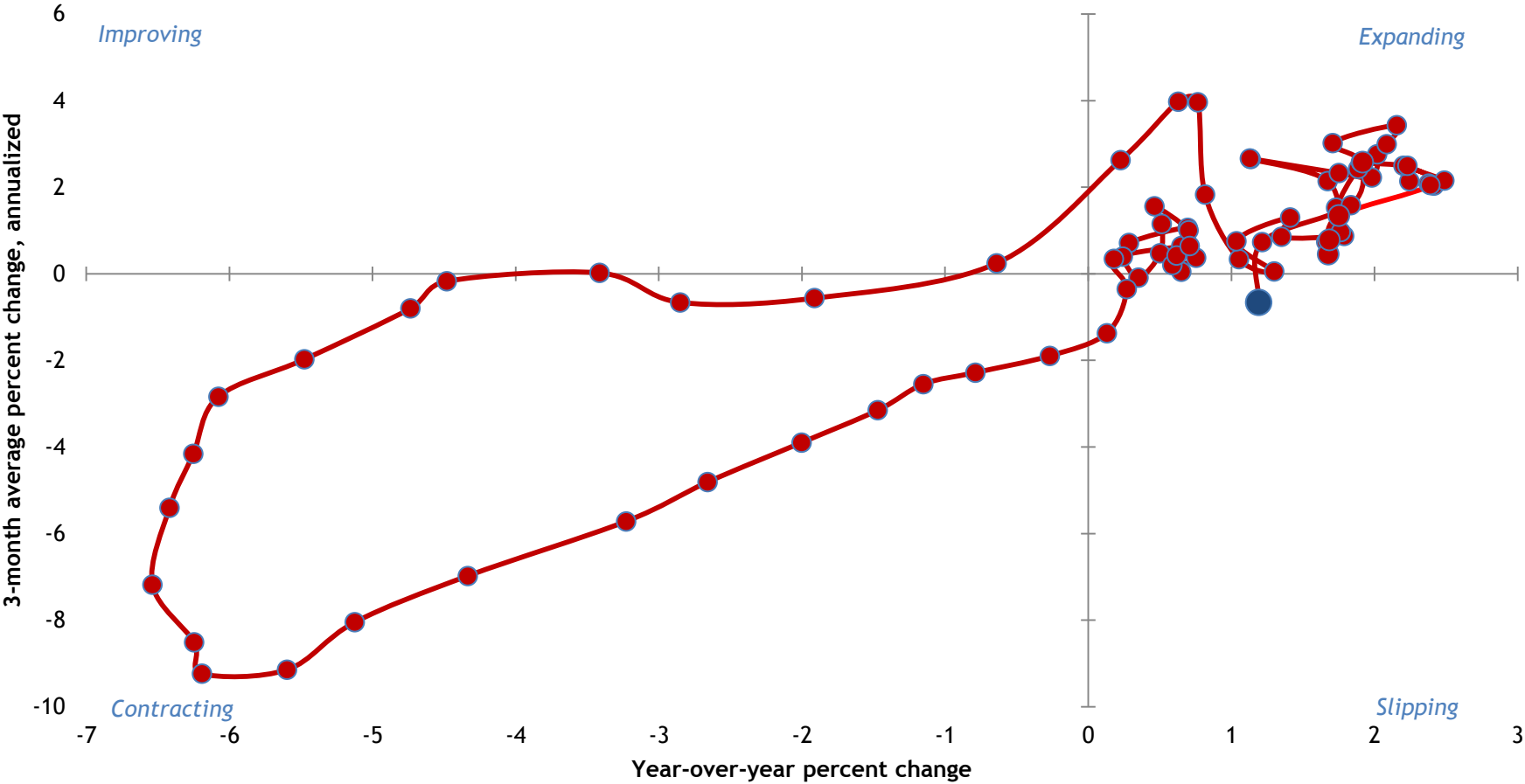


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum slipped in July.

[About Employment Momentum Track](#)

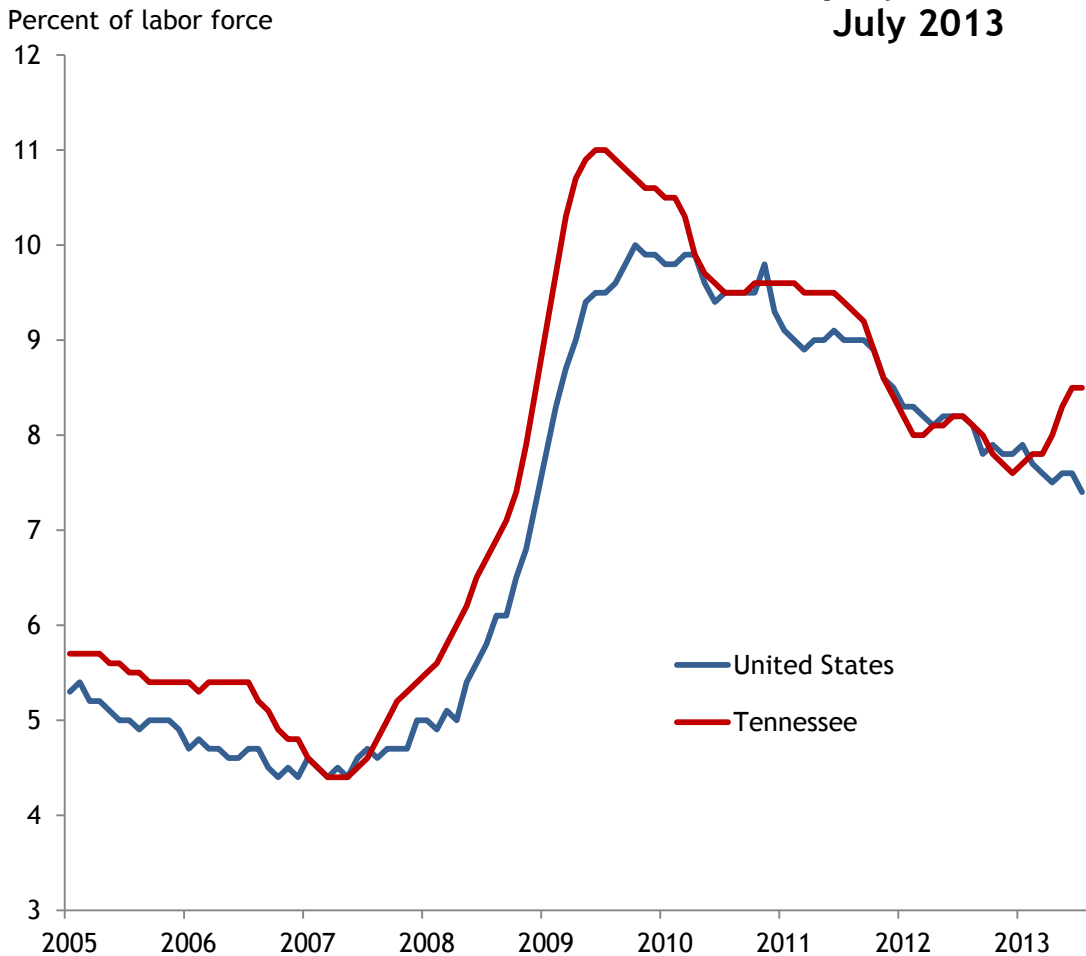
Employment Momentum Track: Tennessee
January 2007-July 2013



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

The unemployment rate for Tennessee has been inching up in 2013. In July, the state's unemployment rate stayed above the national rate for the sixth consecutive month.

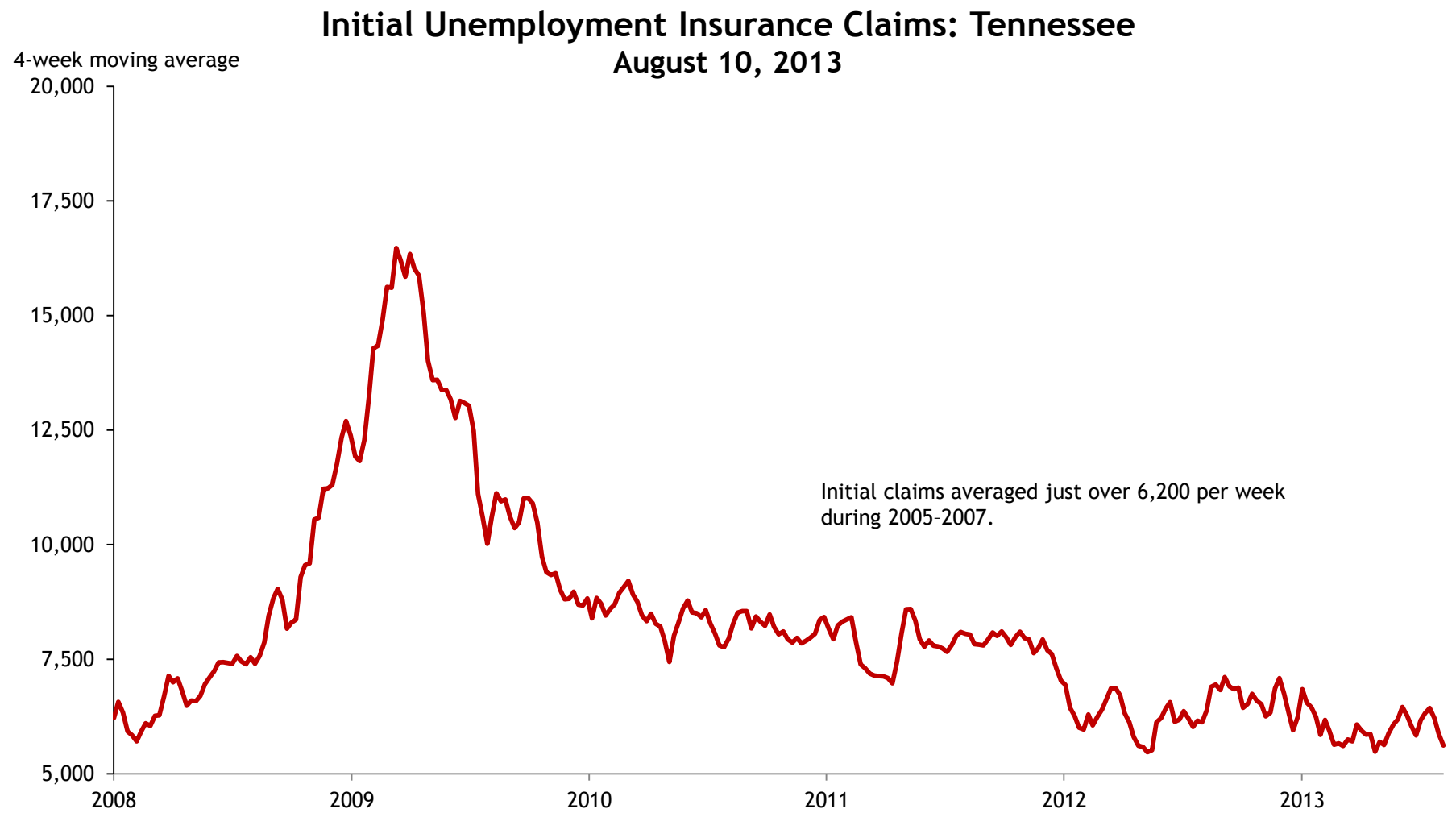
Unemployment Rates
July 2013



Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.4	8.2	4.6
Tennessee	8.5	8.2	4.6
Chattanooga	8.3	8.1	4.4
Clarksville	9.4	9.1	5.7
Cleveland	8.2	8.2	4.9
Jackson	8.9	8.7	5.6
Johnson City	8.0	7.8	4.8
Kingsport-Bristol	7.8	7.7	4.8
Knoxville	7.2	7.1	4.1
Memphis	9.5	9.5	5.8
Morristown	9.7	10.0	6.1
Nashville	6.8	7.0	4.2

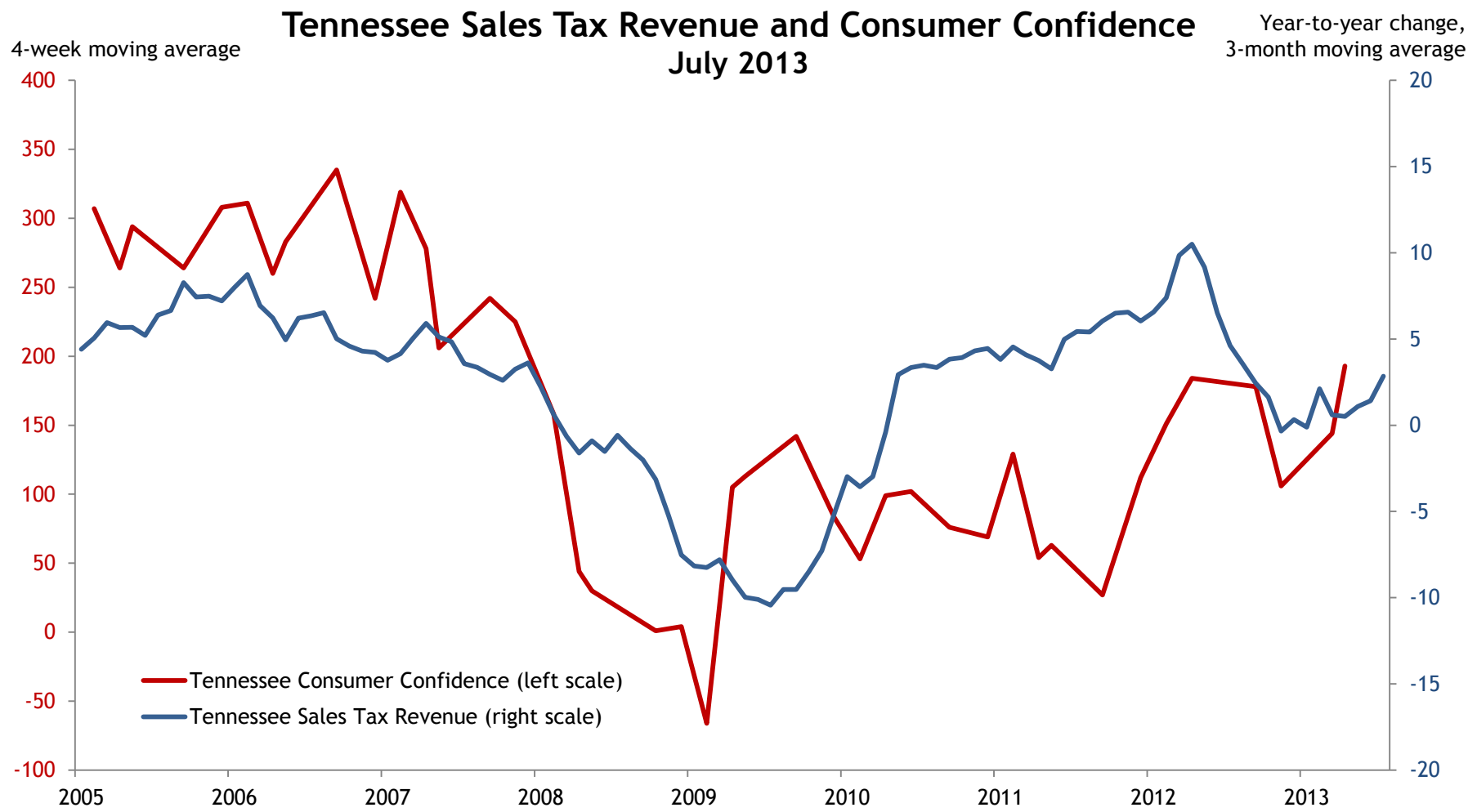
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial unemployment insurance claims are now at prerecession levels.



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

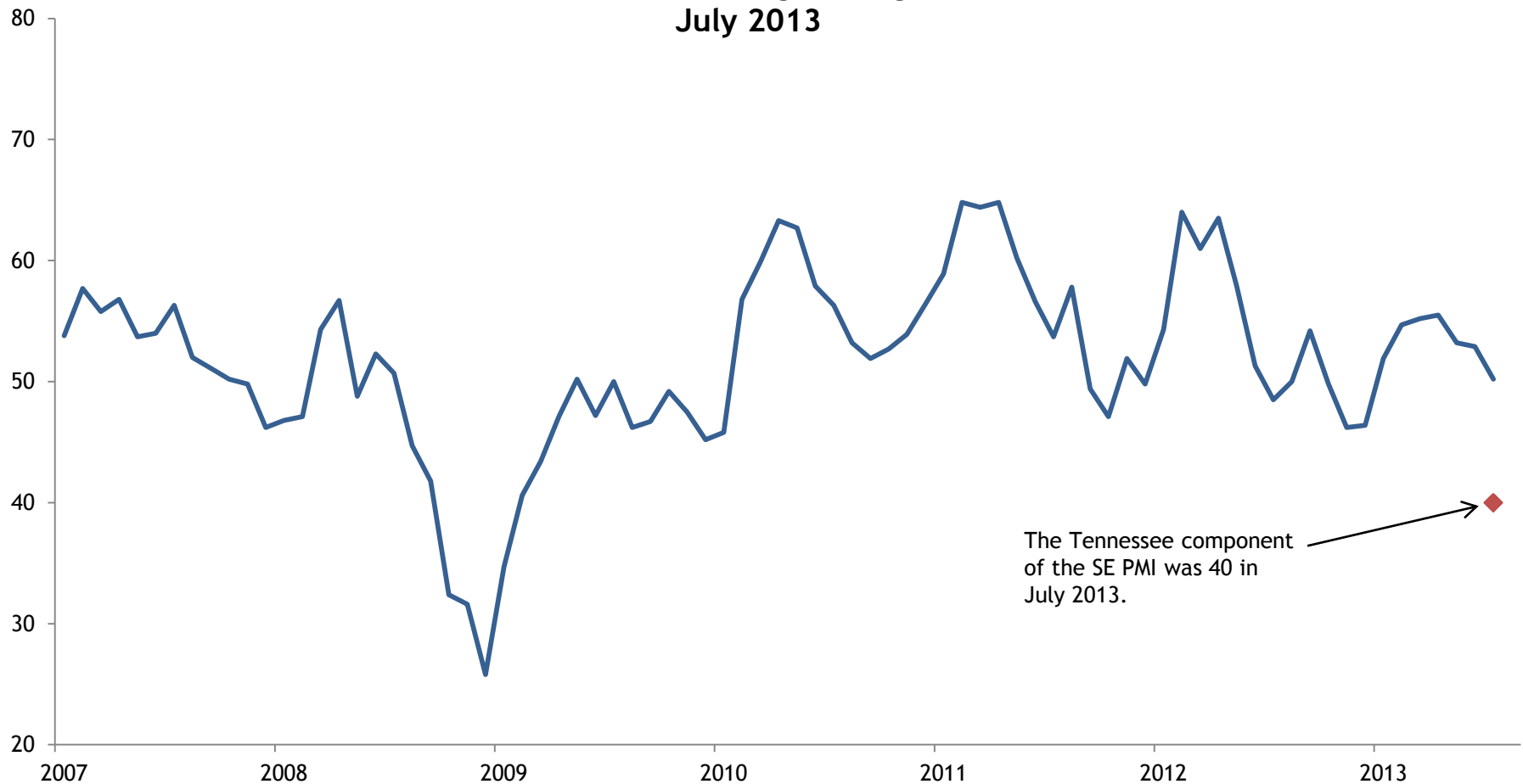
Growth of sales tax revenue in Tennessee has been virtually flat over the past few months, but did tick up in July.



Note: Consumer Confidence data are through April 2013
Source: Middle Tennessee State University, Tennessee Department of Revenue

Regional manufacturing activity expanded for the seventh consecutive month, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. In Tennessee, manufacturing activity contracted during July.

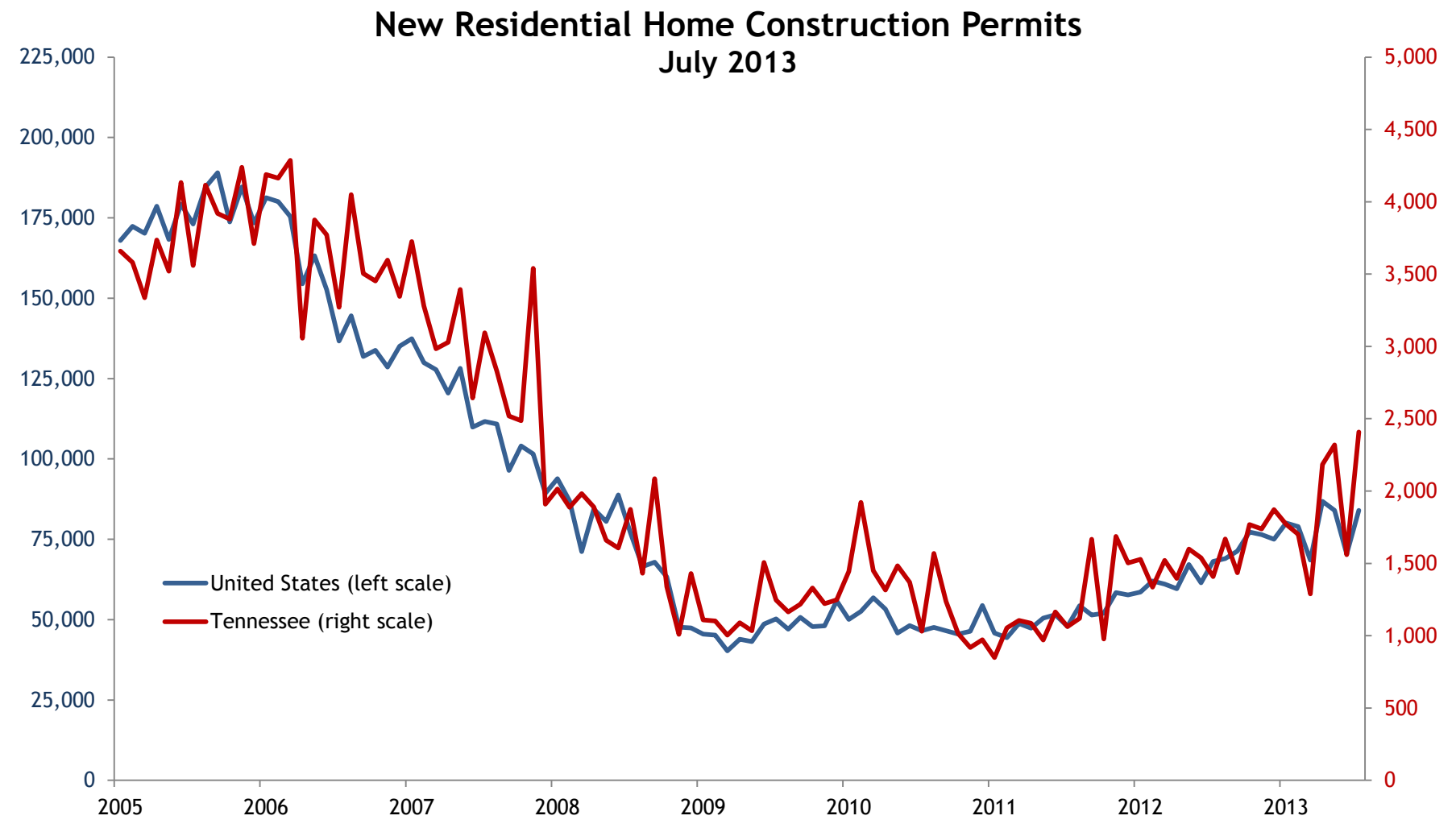
Southeast Purchasing Managers Index July 2013



Note: 50+ = Expansion

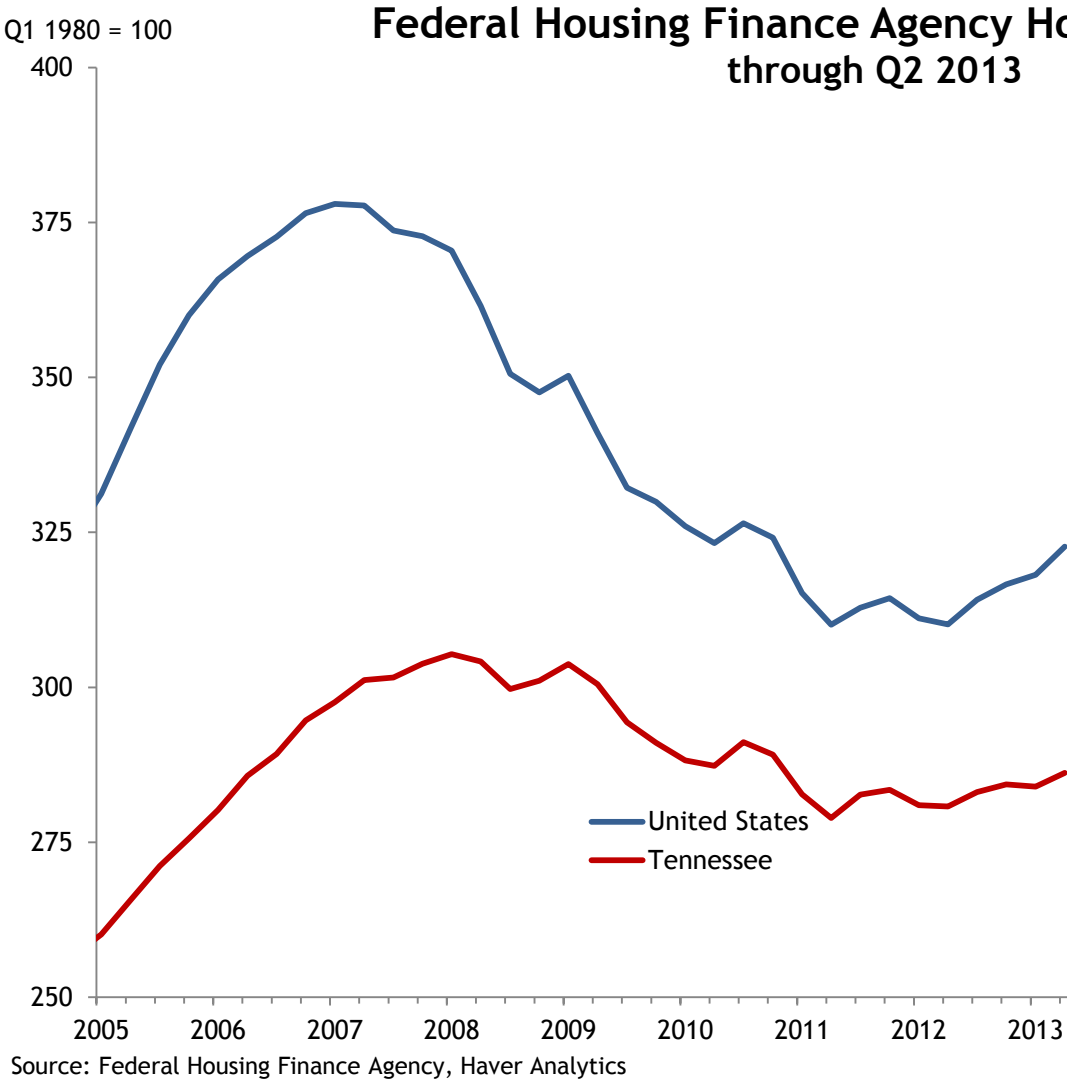
Source: Kennesaw State University, Coles College of Business Econometric Center

New home construction permits for the United States and Tennessee remain at historically low levels, but appear to be trending higher. Permits dipped sharply in June, but July saw a strong rebound.



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

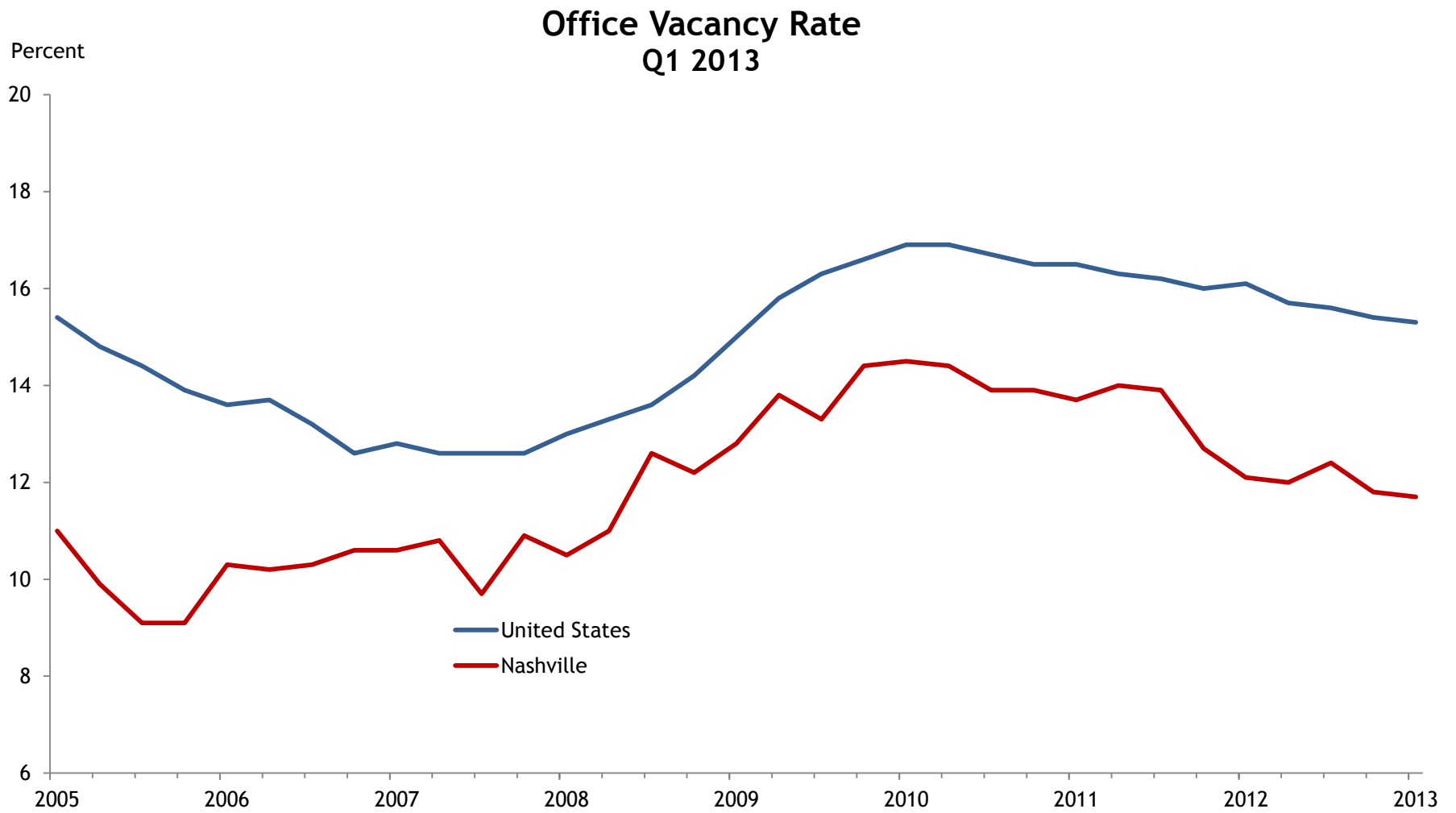
Over the past year, home prices in Tennessee rose at a slower pace than nationally. In Kingsport-Bristol, prices increased faster than in the United States as a whole.



FHFA House Price Index: Q2 2013	1-yr % change	5-yr % change	10-yr % change
United States	4.0	-10.7	14.7
Tennessee	1.9	-5.9	18.8
Cleveland	0.4	-4.0	18.4
Jackson	-0.1	-6.0	5.1
Johnson City	1.3	-1.2	27.5
Knoxville	1.6	-4.8	25.6
Morristown	-0.7	-8.6	18.0
Nashville	3.4	-5.0	24.3
Chattanooga	1.9	-3.2	20.1
Clarksville	-0.8	0.8	27.8
Kingsport-Bristol	4.1	1.7	30.9
Memphis	1.4	-11.3	0.3

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

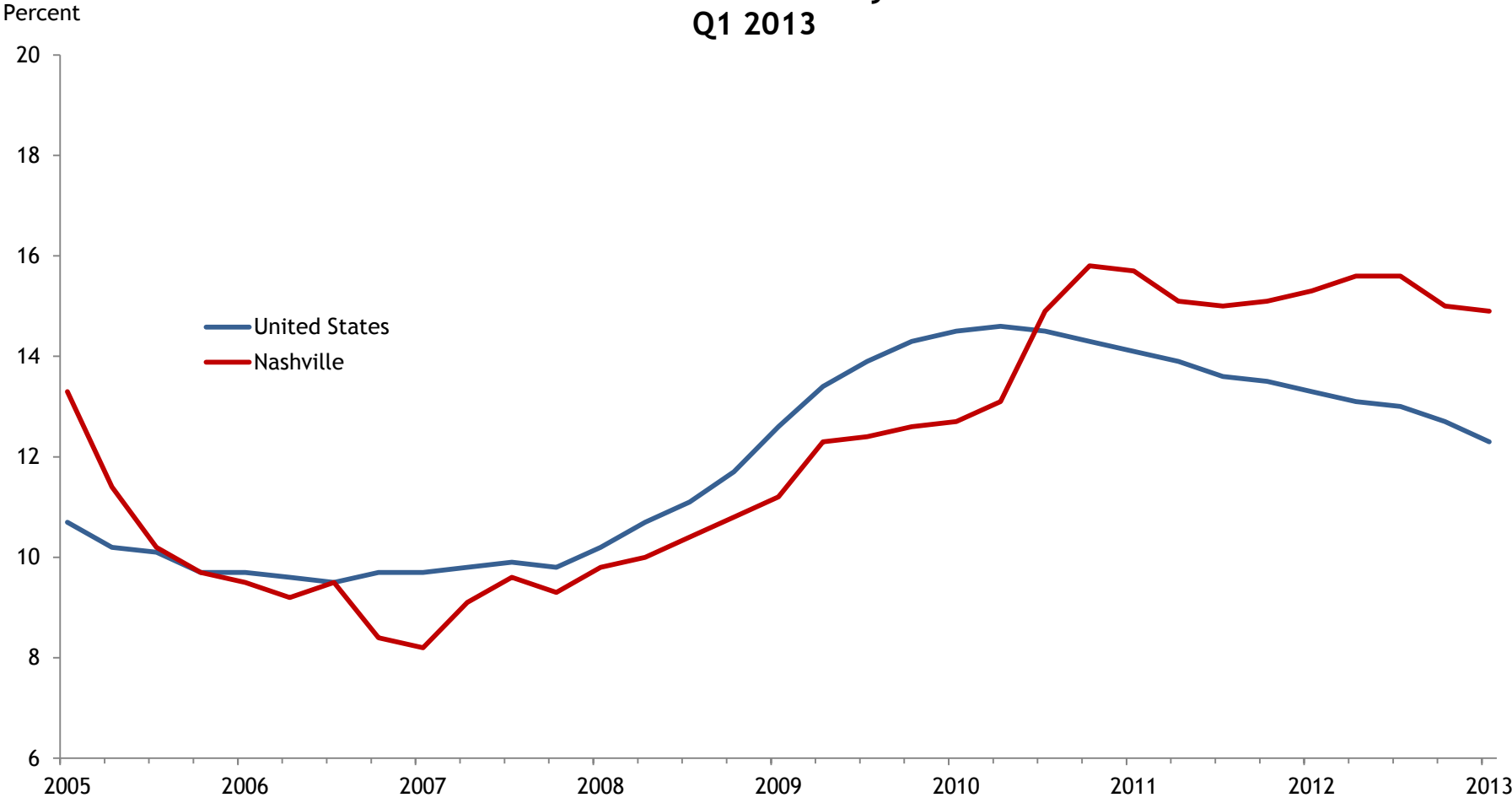
The office vacancy rate is lower in Nashville than in the United States as a whole and has been declining at a faster pace.



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.

Industrial Availability Rate
Q1 2013



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.