



Data Digest: Tennessee

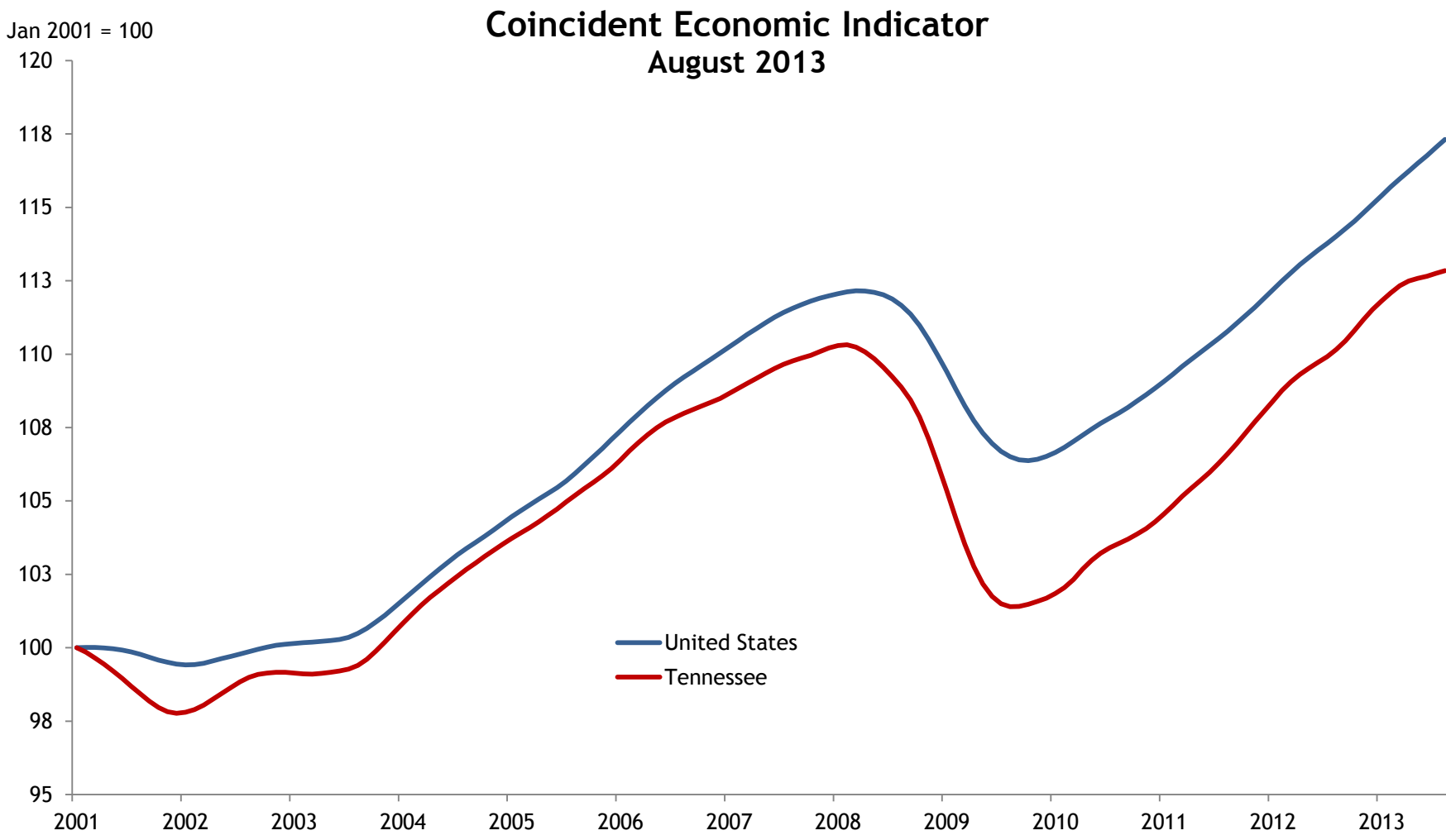
October 2013



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RESERVE
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of ATLANTA

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

[About the Coincident Economic Indicator](#)

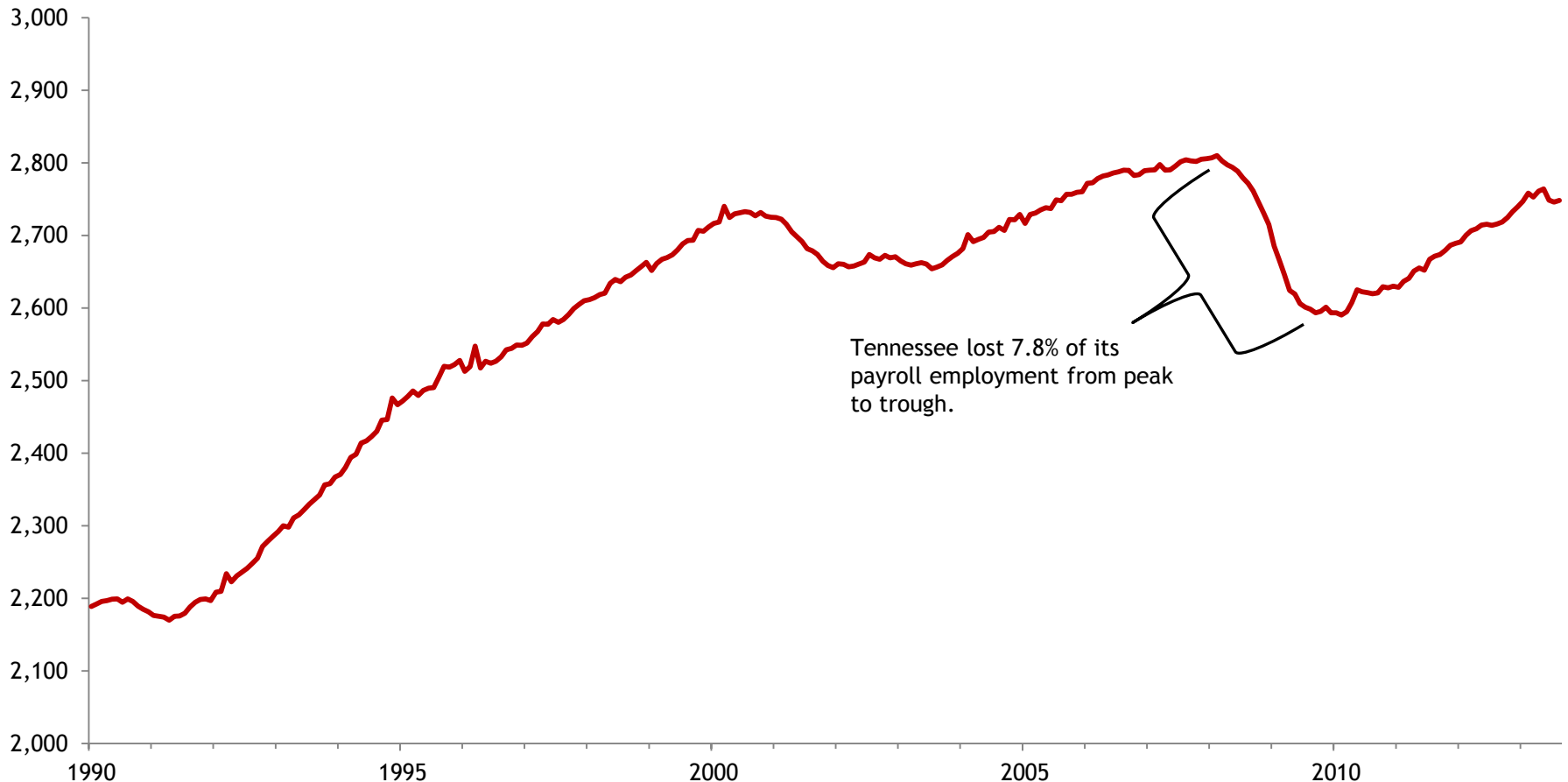


Source: Federal Reserve Bank of Philadelphia

For about three years, total employment in Tennessee had been on an upward trend. However, payroll growth has leveled off in recent months. Following slight increases in April and May, payrolls ticked down in June and have remained relatively flat for three consecutive months.

Tennessee Payroll Employment August 2013

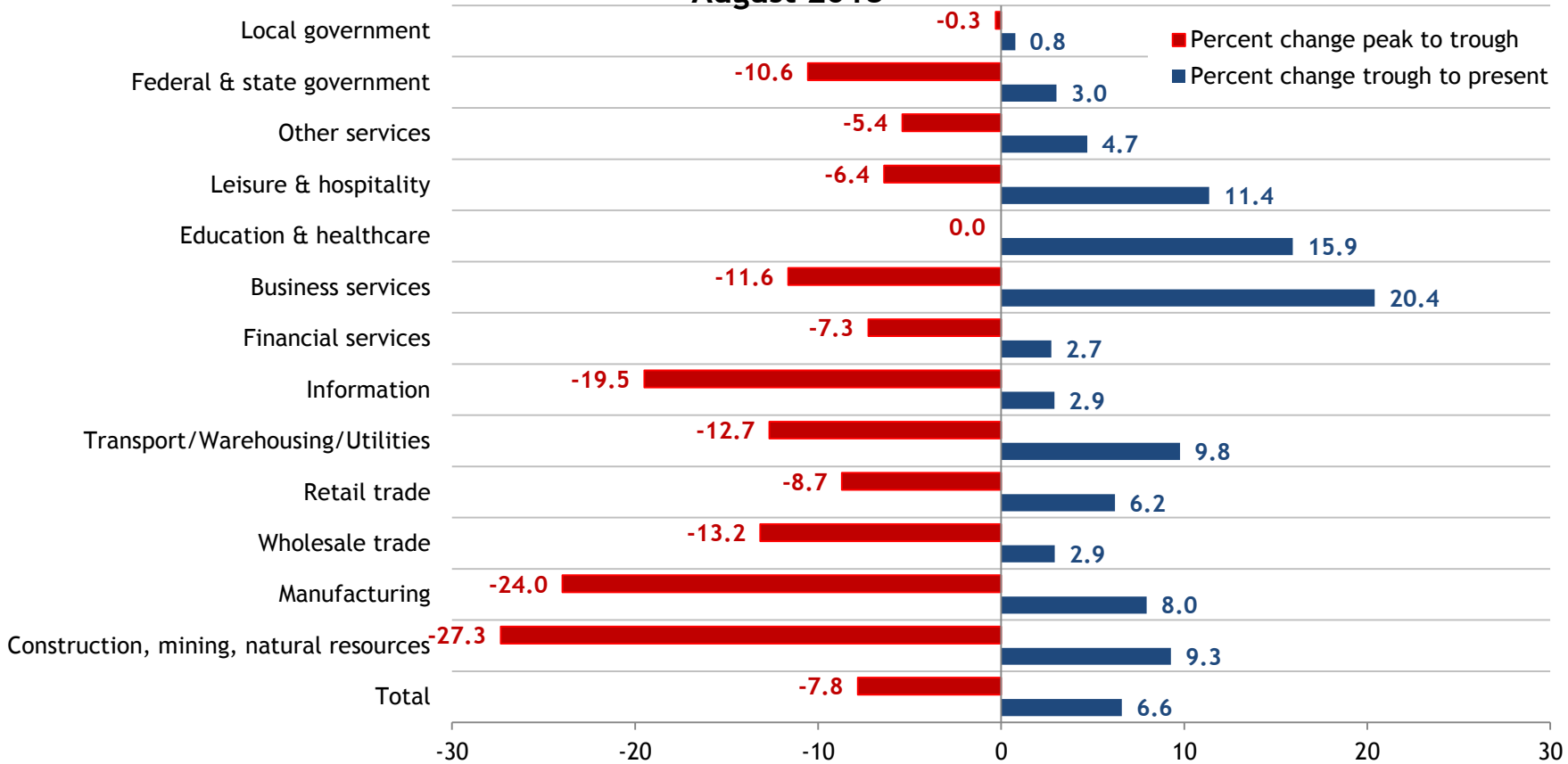
Thousands,
seasonally adjusted



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

Most industries lost some jobs during their 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 August 2013

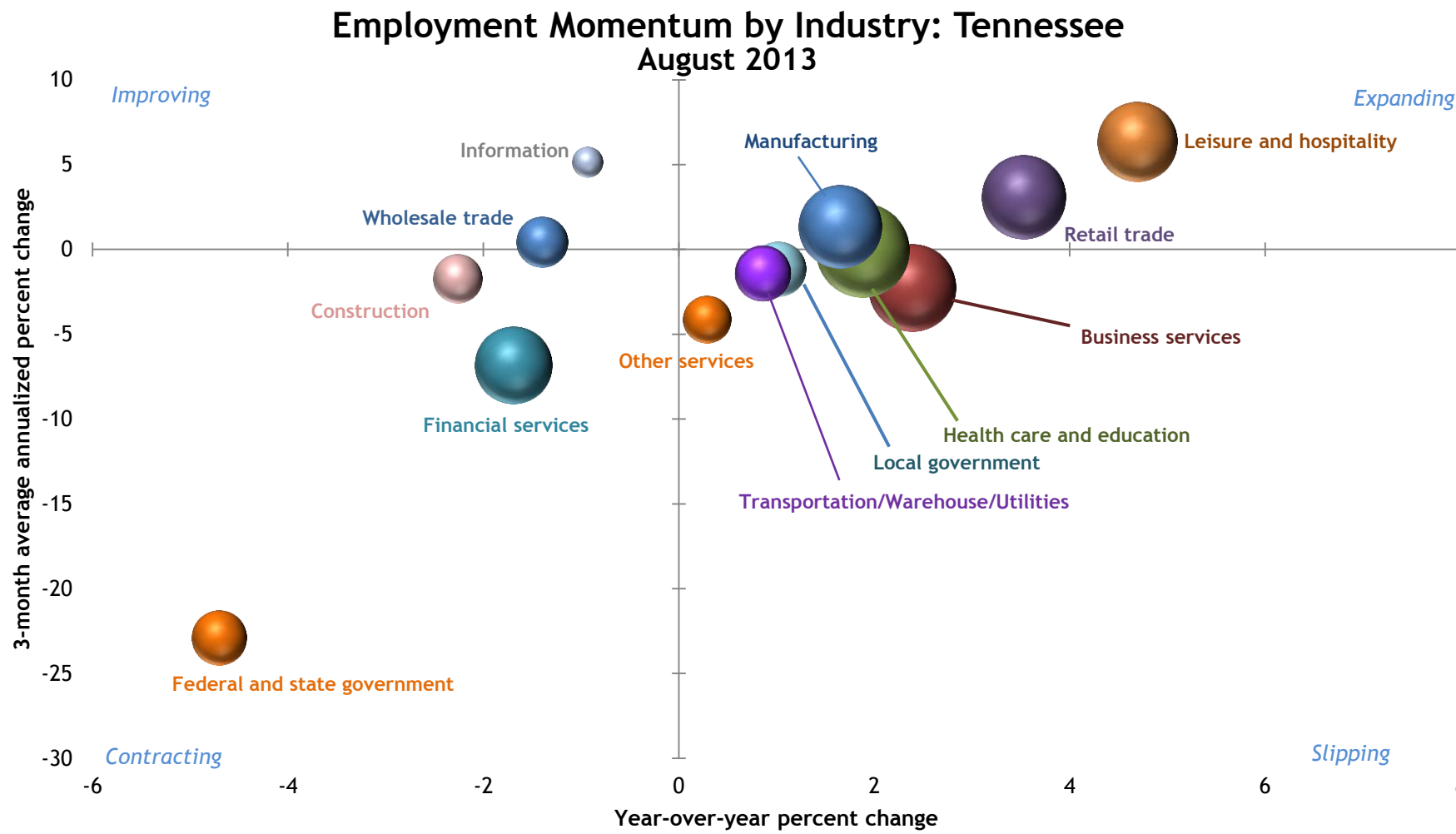


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

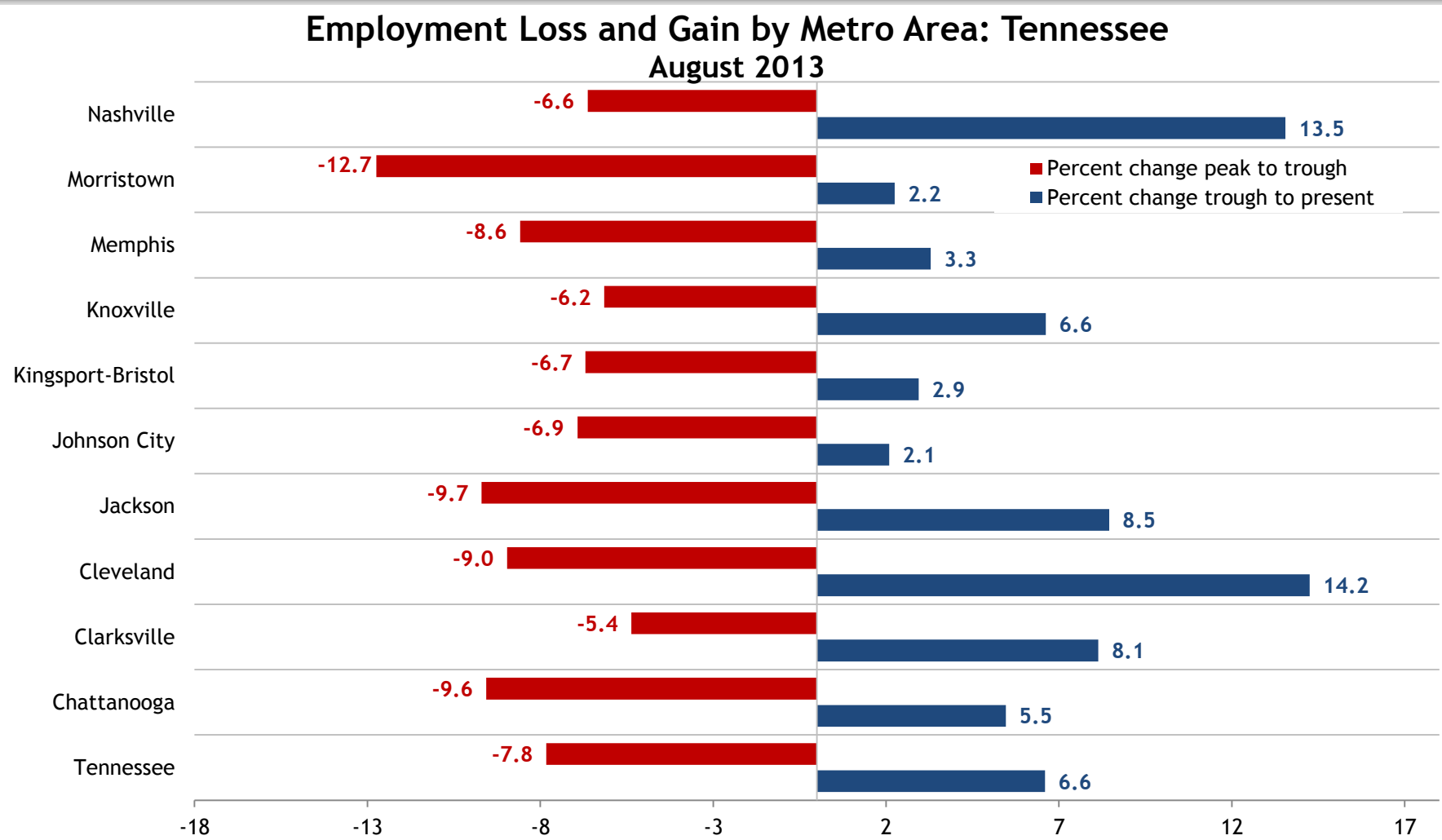
Employment growth momentum has lost steam during recent months. Only two major industries were firmly in the expanding category during August.

[About Employment Momentum](#)



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

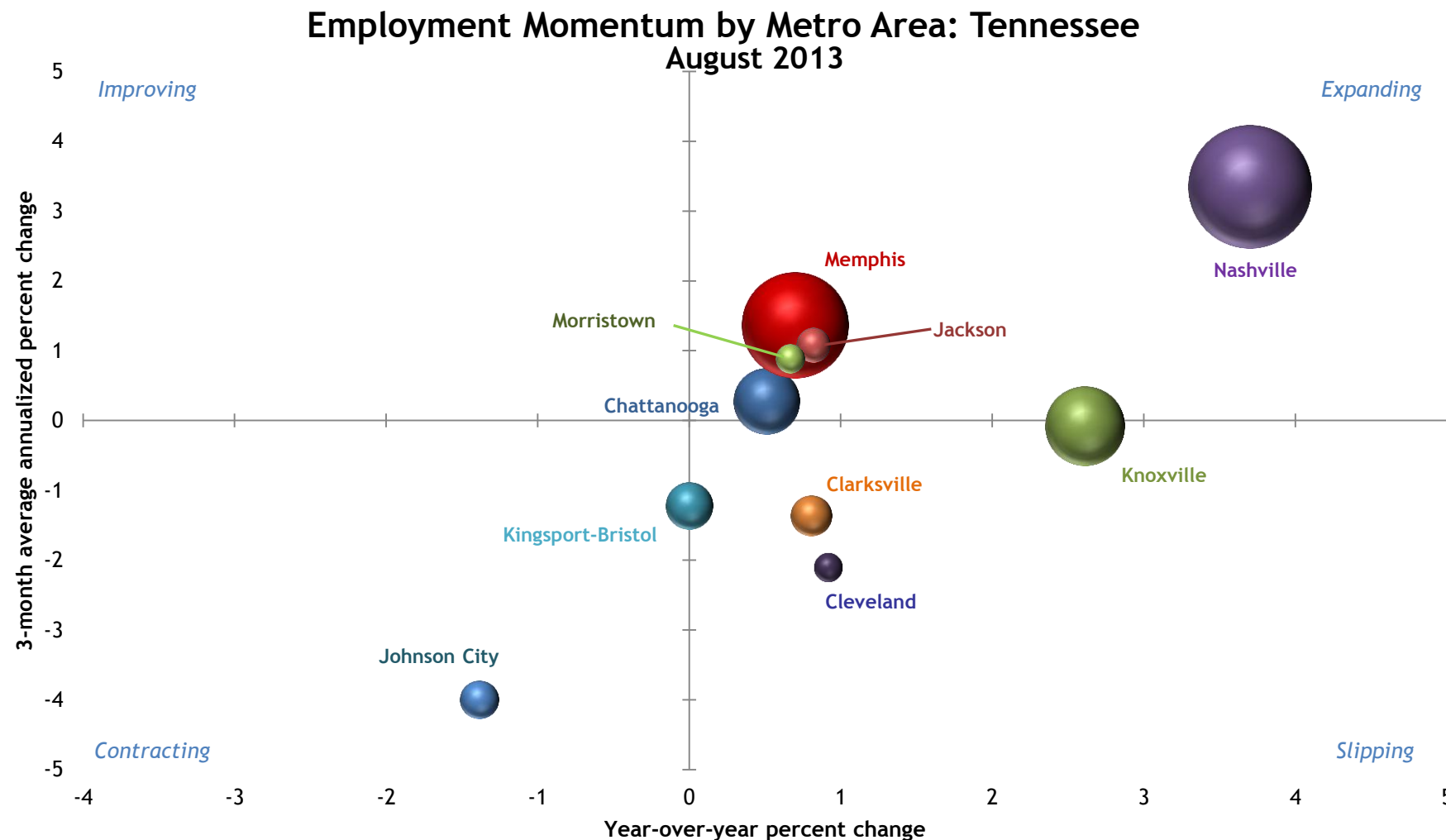
Employment losses in Tennessee metro areas were significant during the downturn. All major cities have regained some jobs. Nashville, Cleveland, Knoxville, and Clarksville have regained all jobs lost.



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 August.

[About Employment Momentum](#)

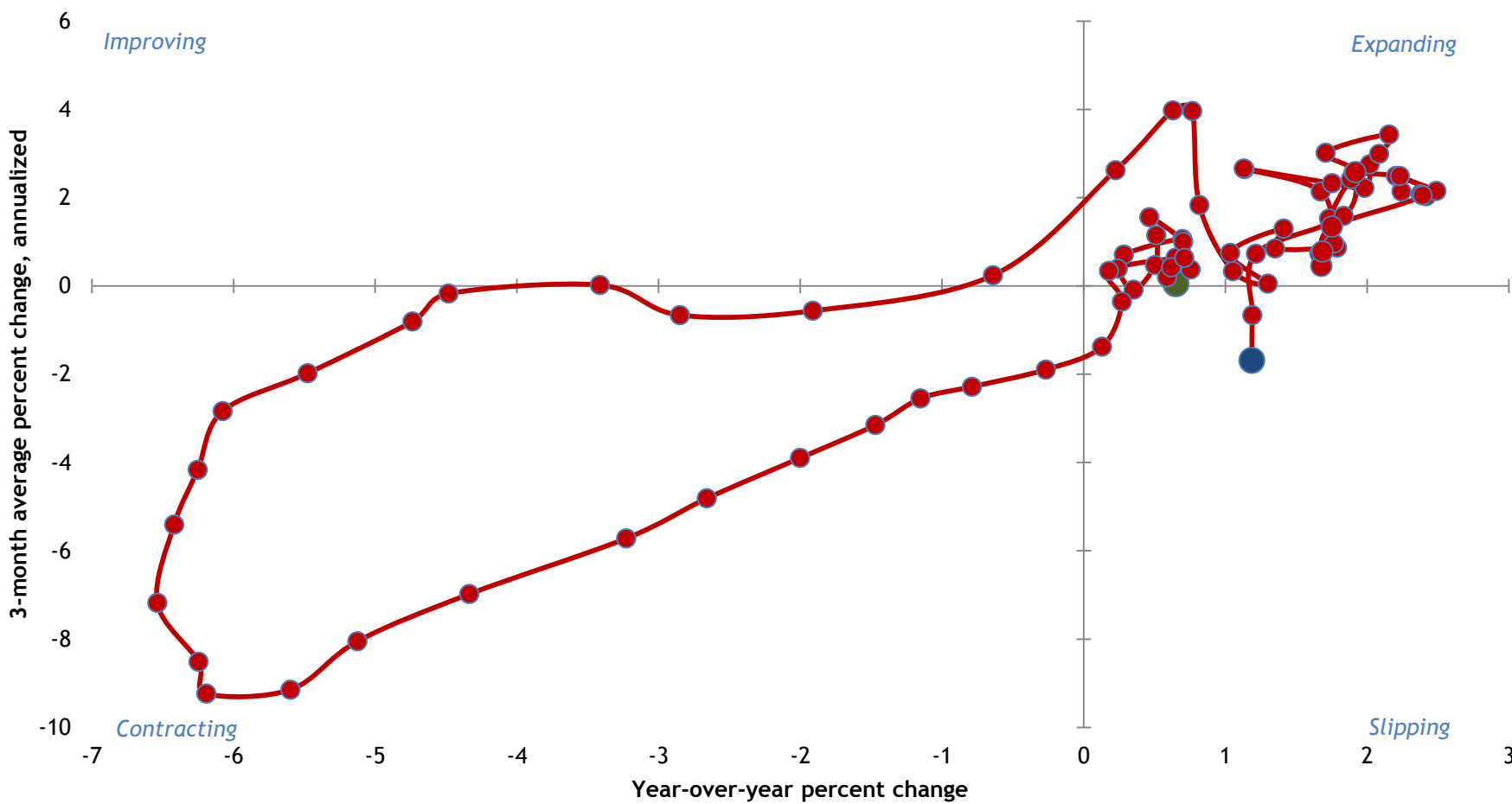


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum slipped for the second consecutive month in August.

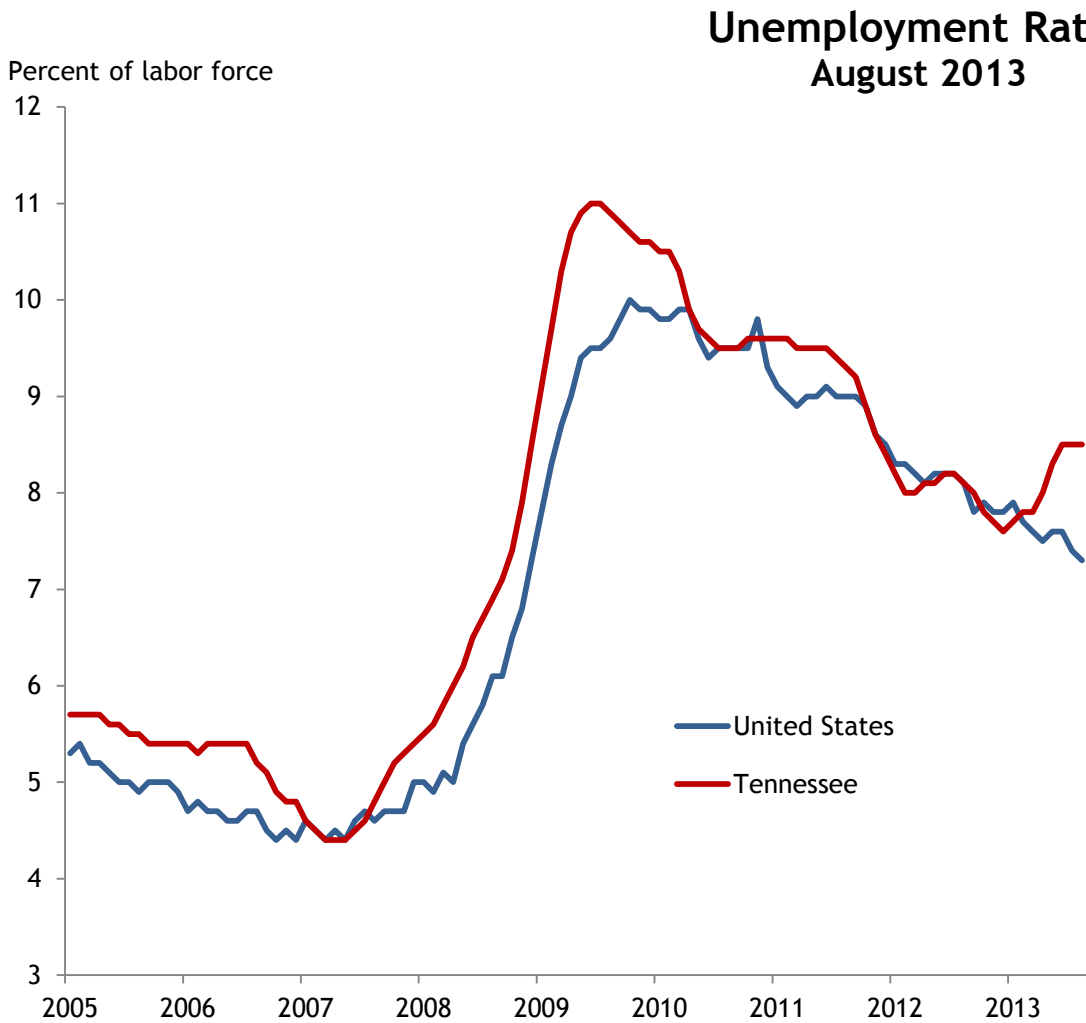
[About Employment Momentum Track](#)

Employment Momentum Track: Tennessee
January 2007–August 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 August, the state's unemployment rate stayed above the national rate for the seventh consecutive month.

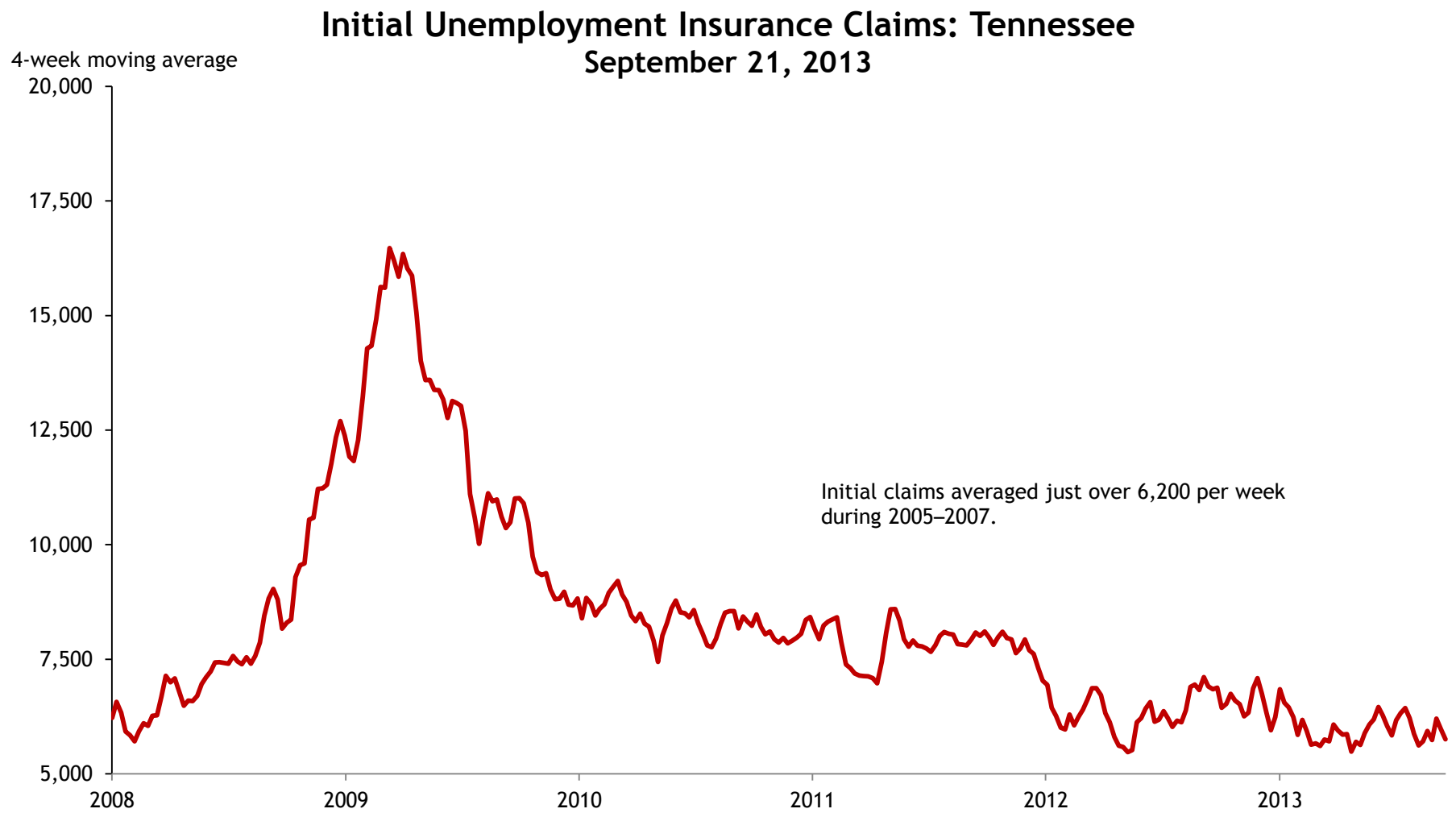


Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.3	8.1	4.6
Tennessee	8.5	8.1	4.6
Chattanooga	8.3	7.8	4.4
Clarksville	9.4	8.8	5.7
Cleveland	8.2	7.9	4.9
Jackson	8.9	8.7	5.6
Johnson City	8.0	7.7	4.8
Kingsport-Bristol	7.8	7.6	4.8
Knoxville	7.2	7.1	4.1
Memphis	9.5	9.1	5.8
Morristown	9.7	9.9	6.1
Nashville	6.8	7.0	4.2

Note: The MSA numbers are not available for August 2013; the numbers listed are for July 2013.

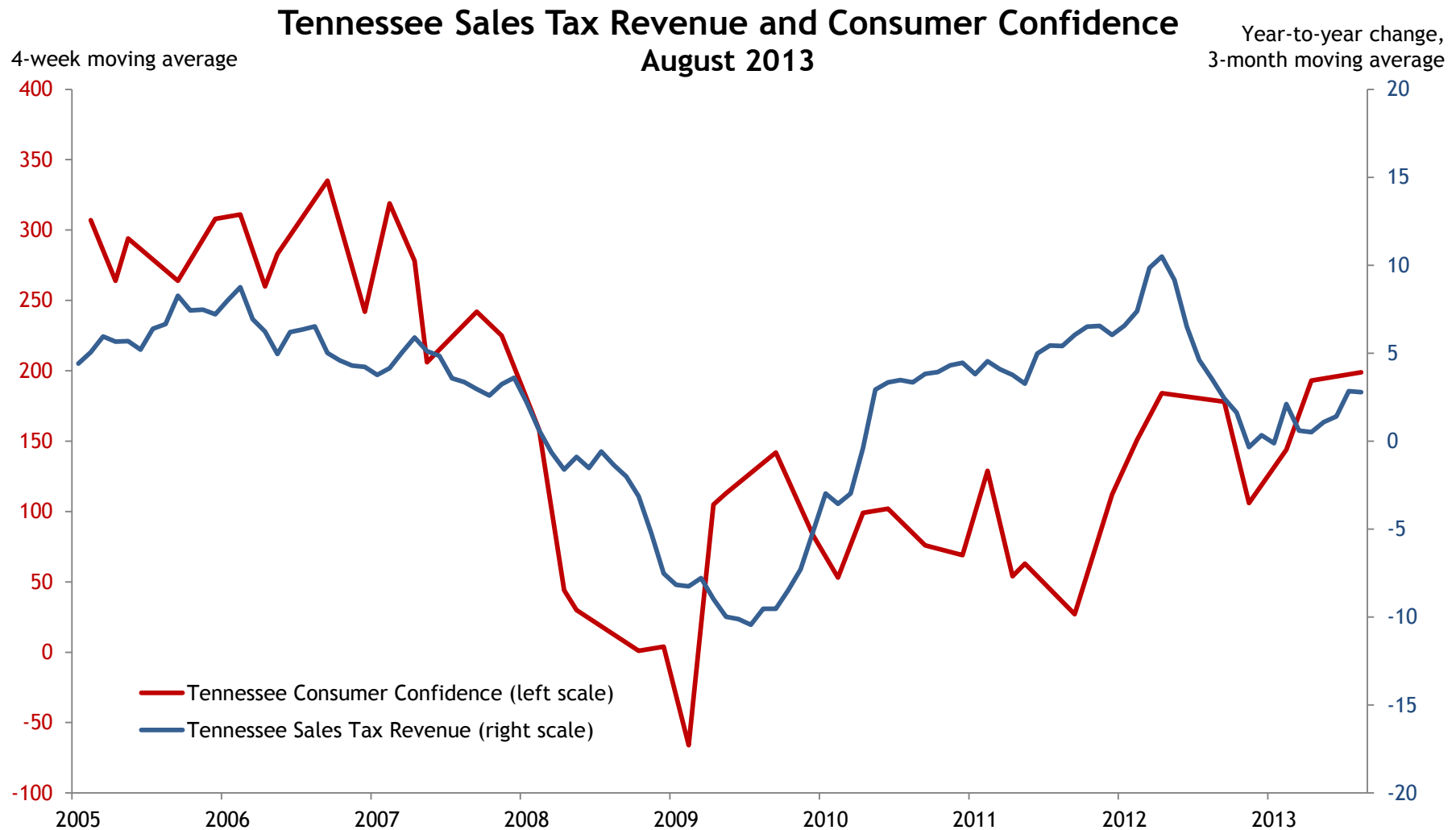
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial unemployment insurance claims are now at prerecession levels.



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

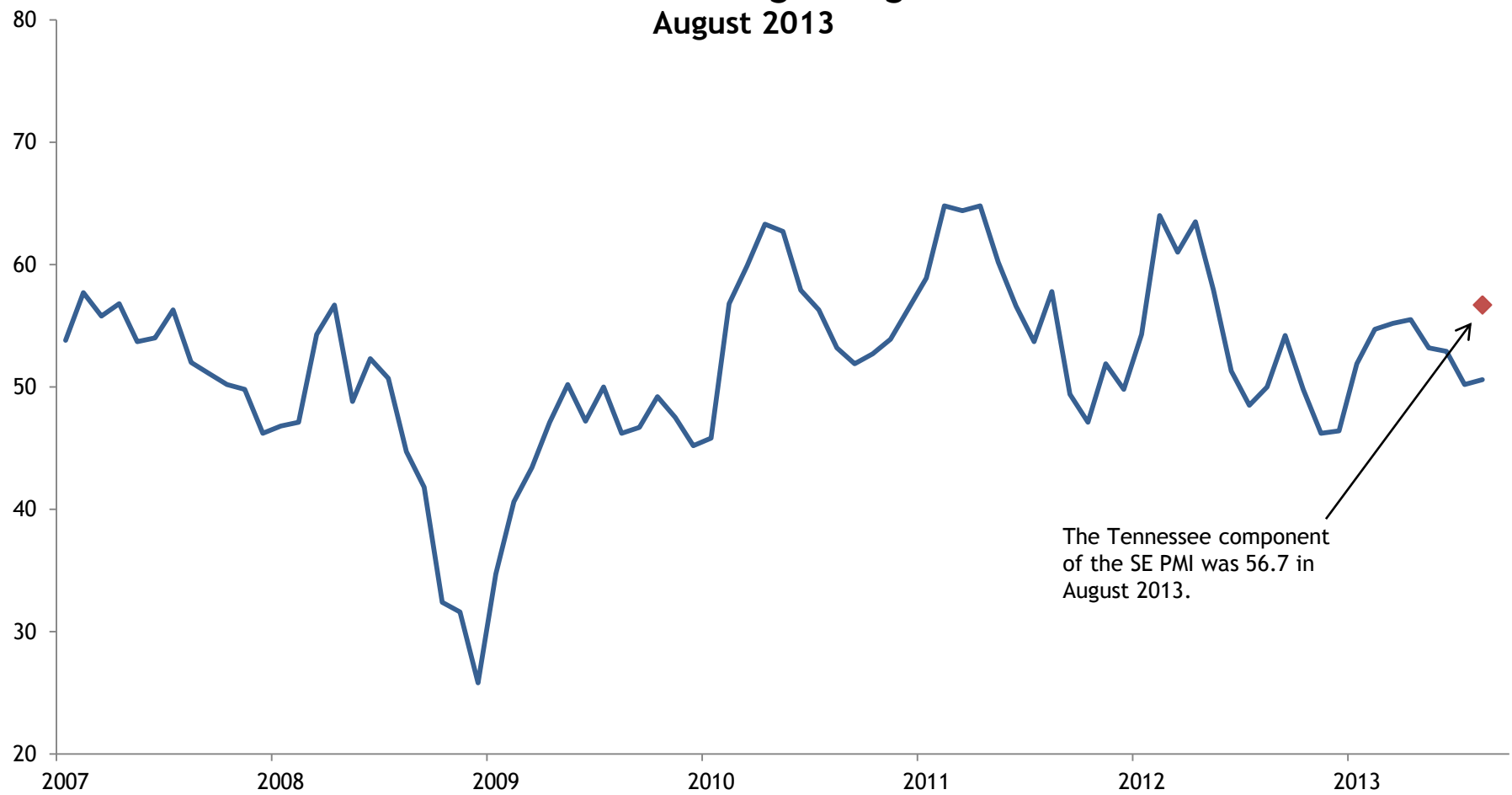
Growth of sales tax revenue in Tennessee has been virtually flat over the past months. Collections ticked up in July and leveled off again in August.



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

Regional manufacturing activity expanded for the eighth consecutive month in August, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. In Tennessee, manufacturing activity also expanded during August.

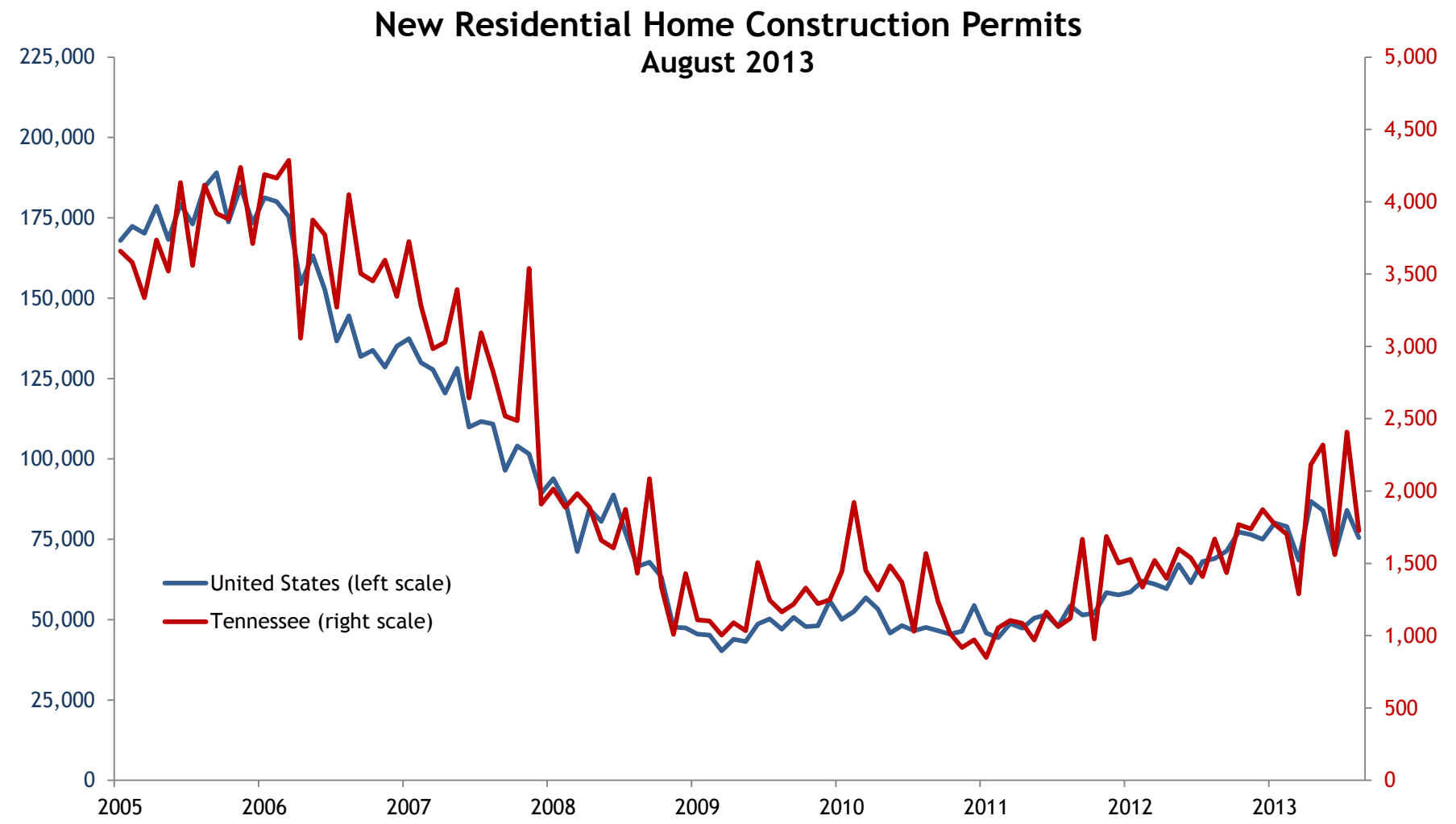
Southeast Purchasing Managers Index
August 2013



The Tennessee component of the SE PMI was 56.7 in August 2013.

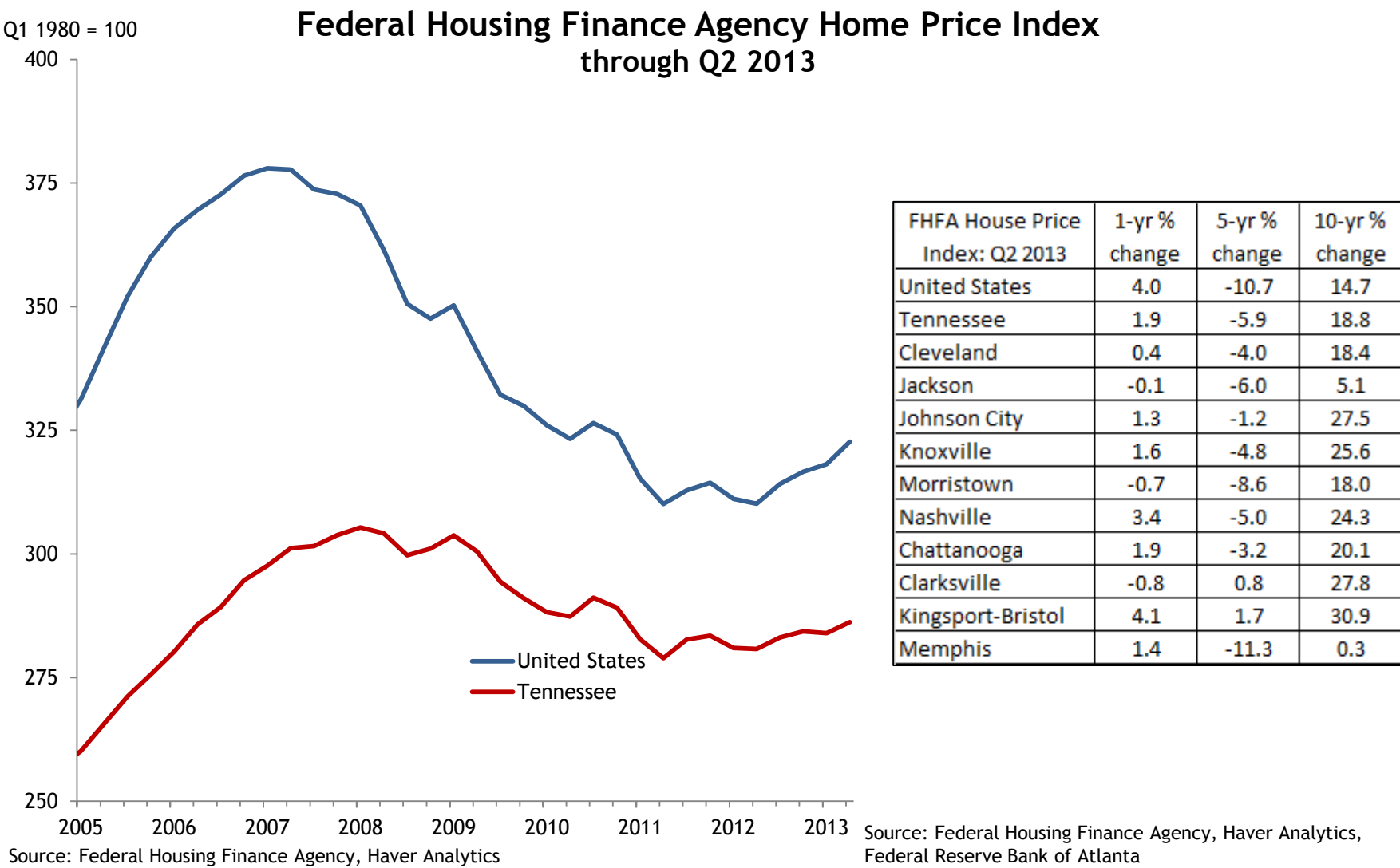
Note: 50+ = Expansion
Source: Kennesaw State University, Coles College of Business Econometric Center

New home construction permits for the United States and Tennessee have been trending up, but remain at historically low levels. Permits in Tennessee have fluctuated over the last four months.

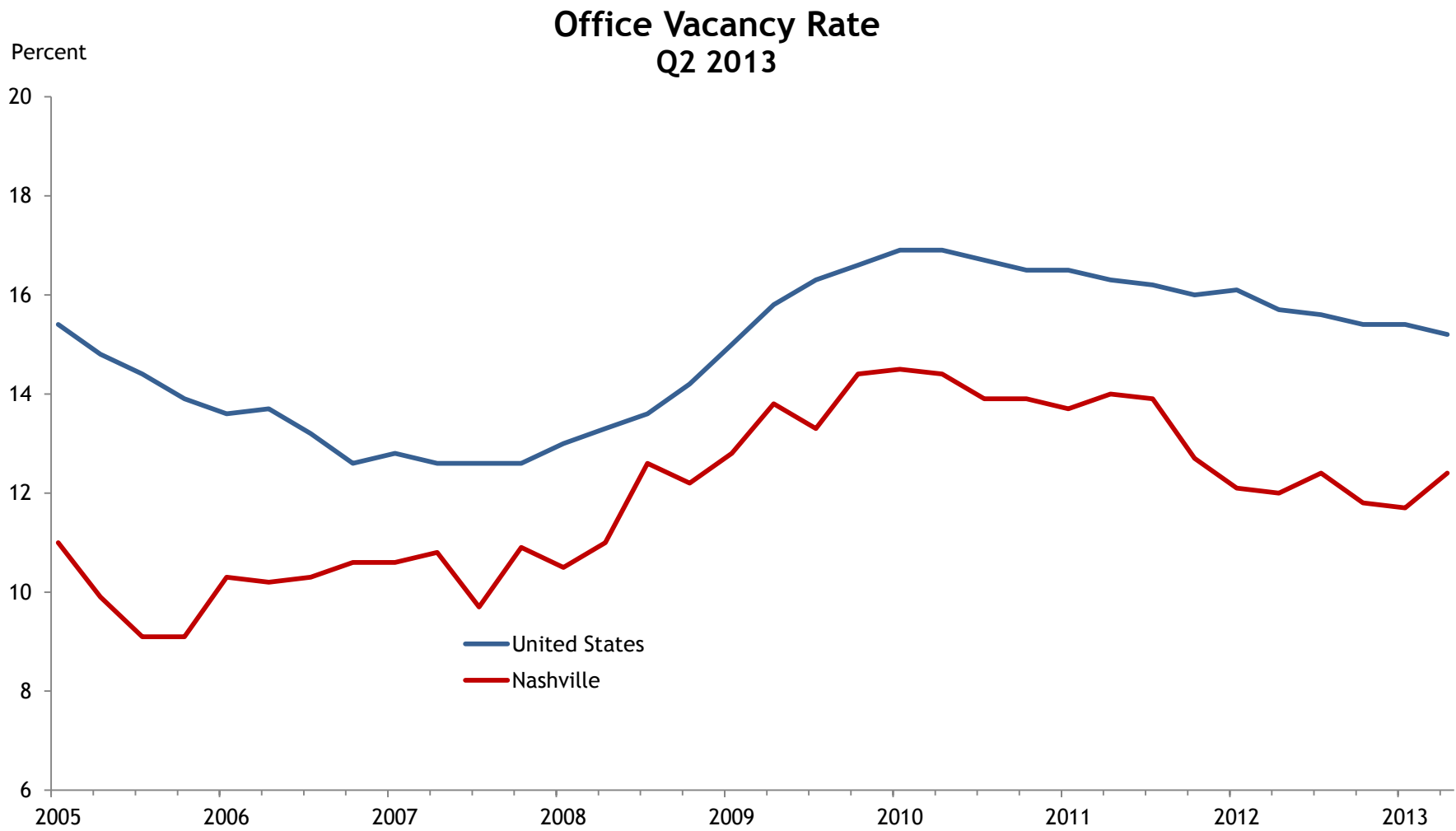


Source: U.S. Bureau of the Census, Haver Analytics

Over the past year, home prices in Tennessee rose at a slower pace than nationally, but they did not fall as dramatically during the downturn.

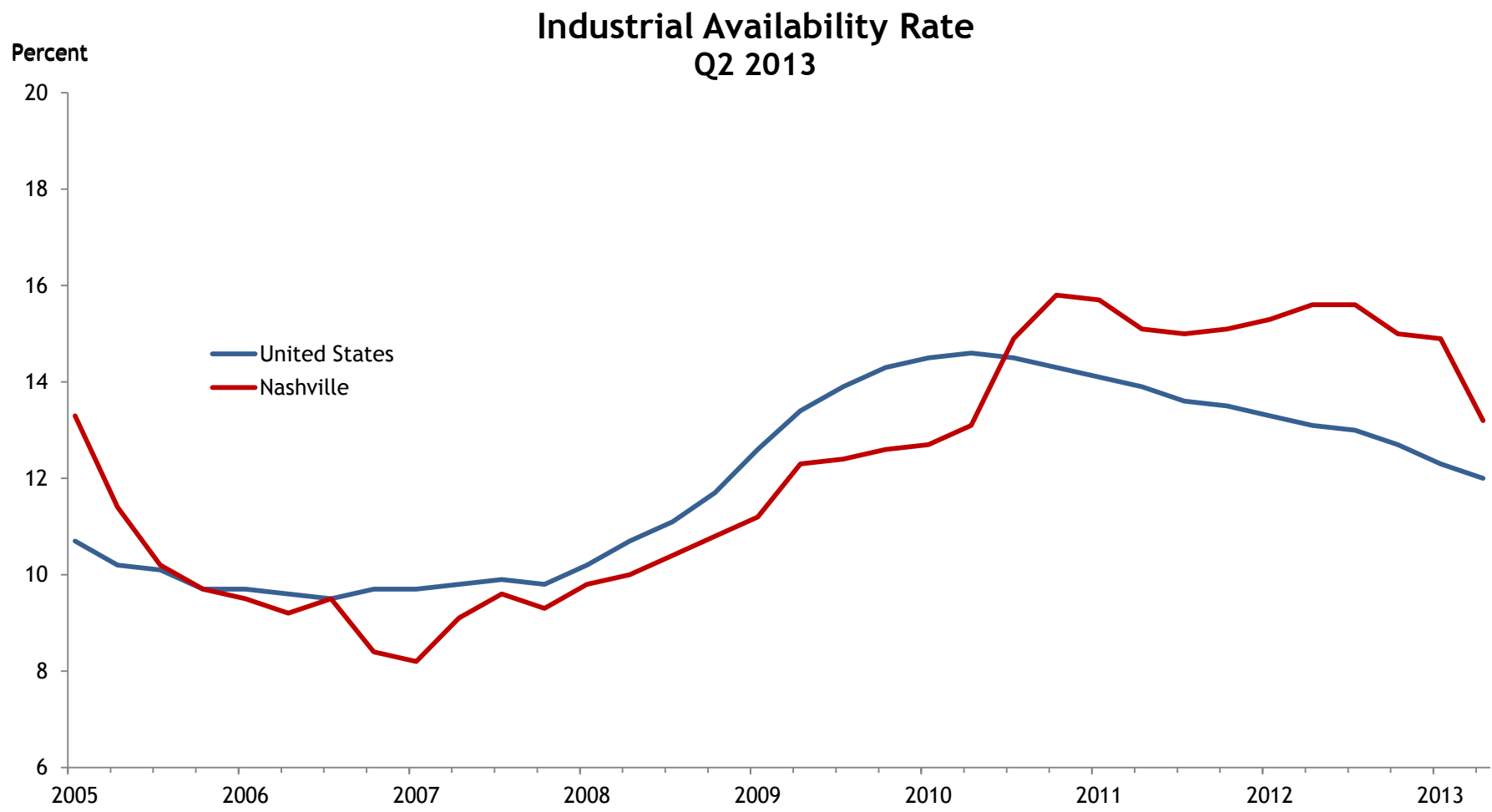


The office vacancy rate is lower in Nashville than in the United States as a whole and has been declining at a faster pace. Nashville saw a mild uptick in vacancy rates during the second quarter.



Source: CB Richard Ellis, Haver Analytics

Industrial availability rates remain elevated throughout the United States. Nashville's rate has declined over 2 percent since the third quarter of 2012.



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.