



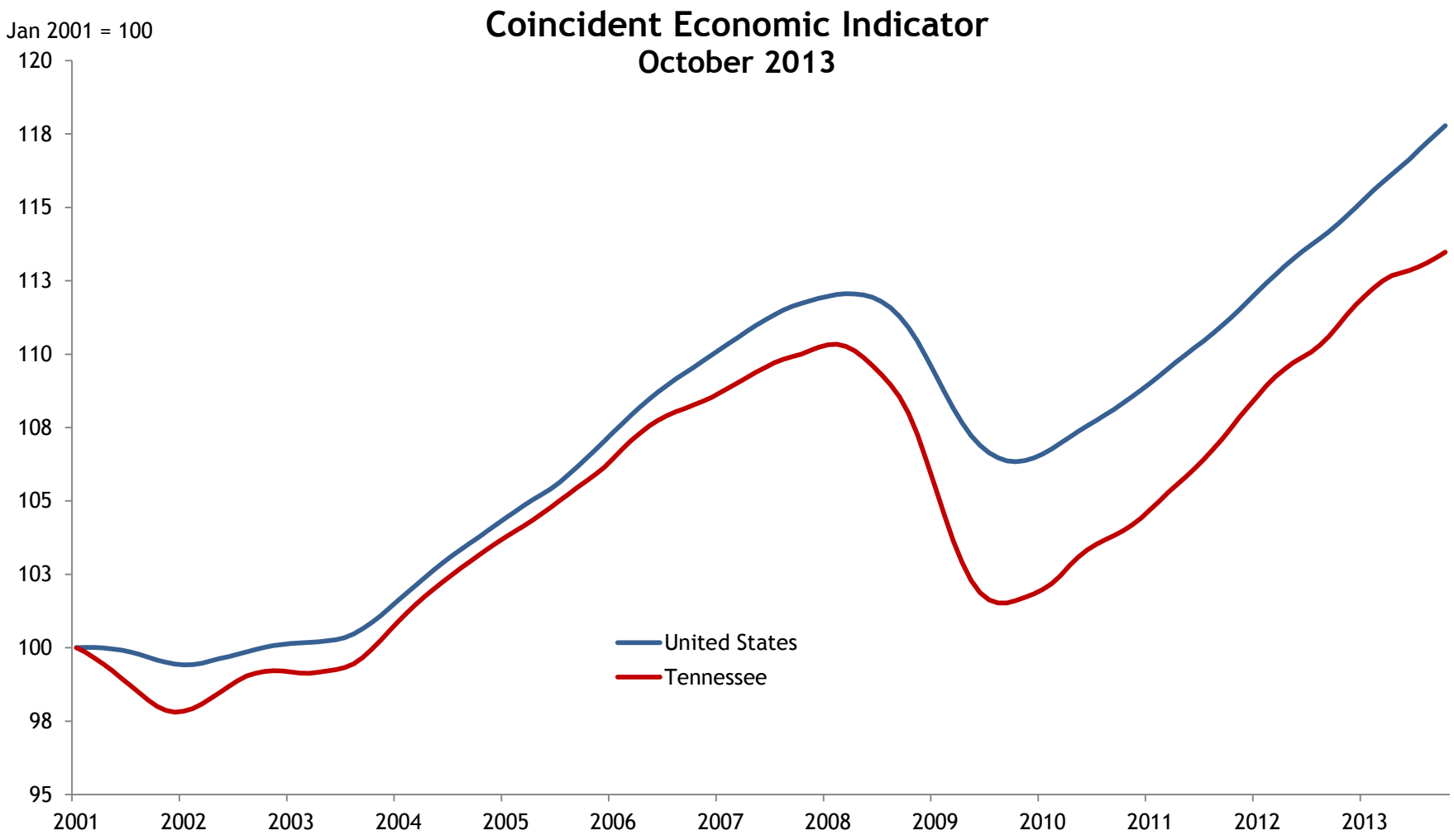
Data Digest: Tennessee

December 2013



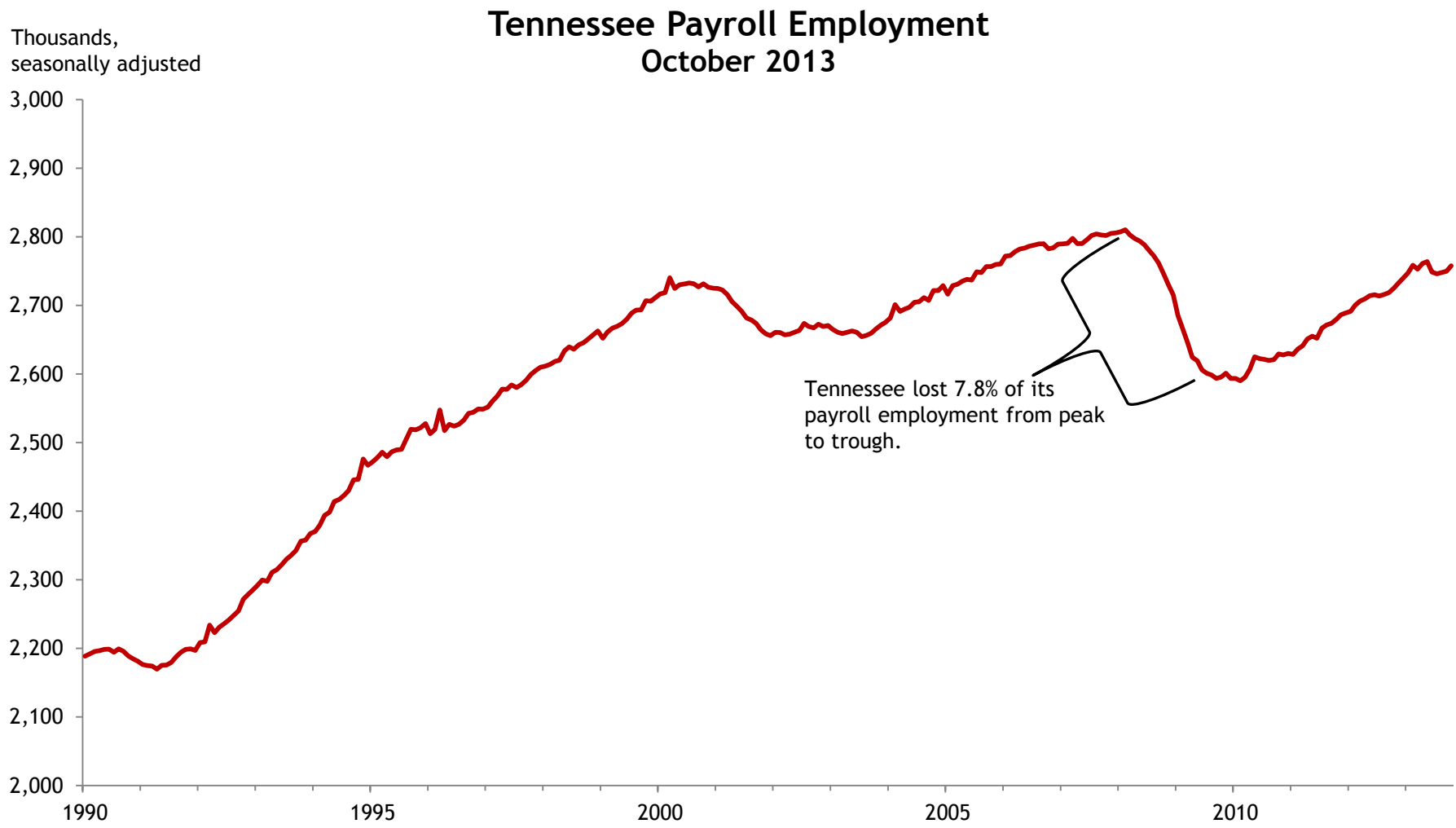
Tennessee's economic performance largely mirrors that of the United States.

[About the Coincident Economic Indicator](#)



Source: Federal Reserve Bank of Philadelphia

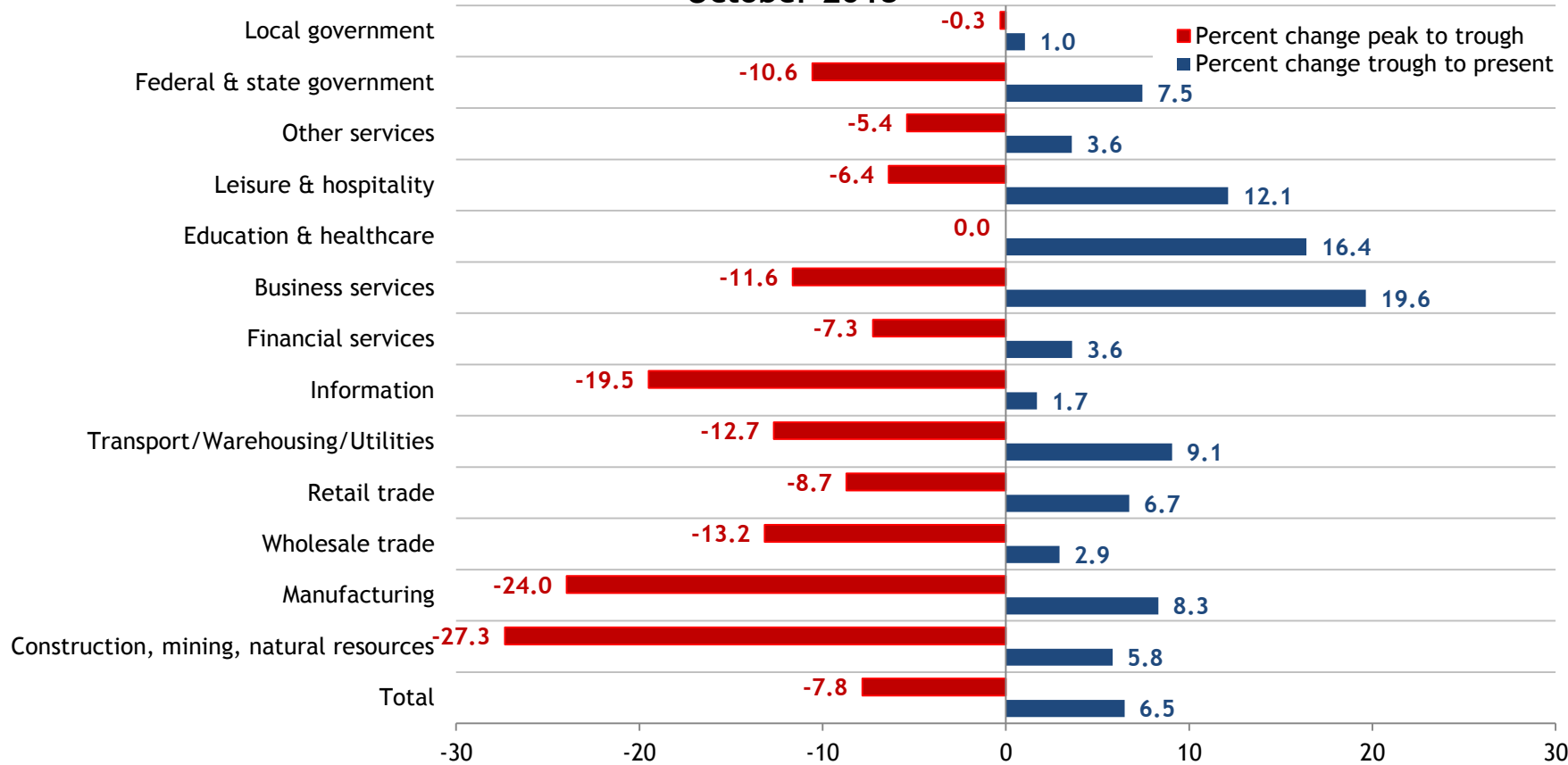
For about three years, total employment in Tennessee had been on an upward trend. With the exception of a slight uptick in October, payroll levels have remained relatively flat since June.



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

Most major 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 October 2013

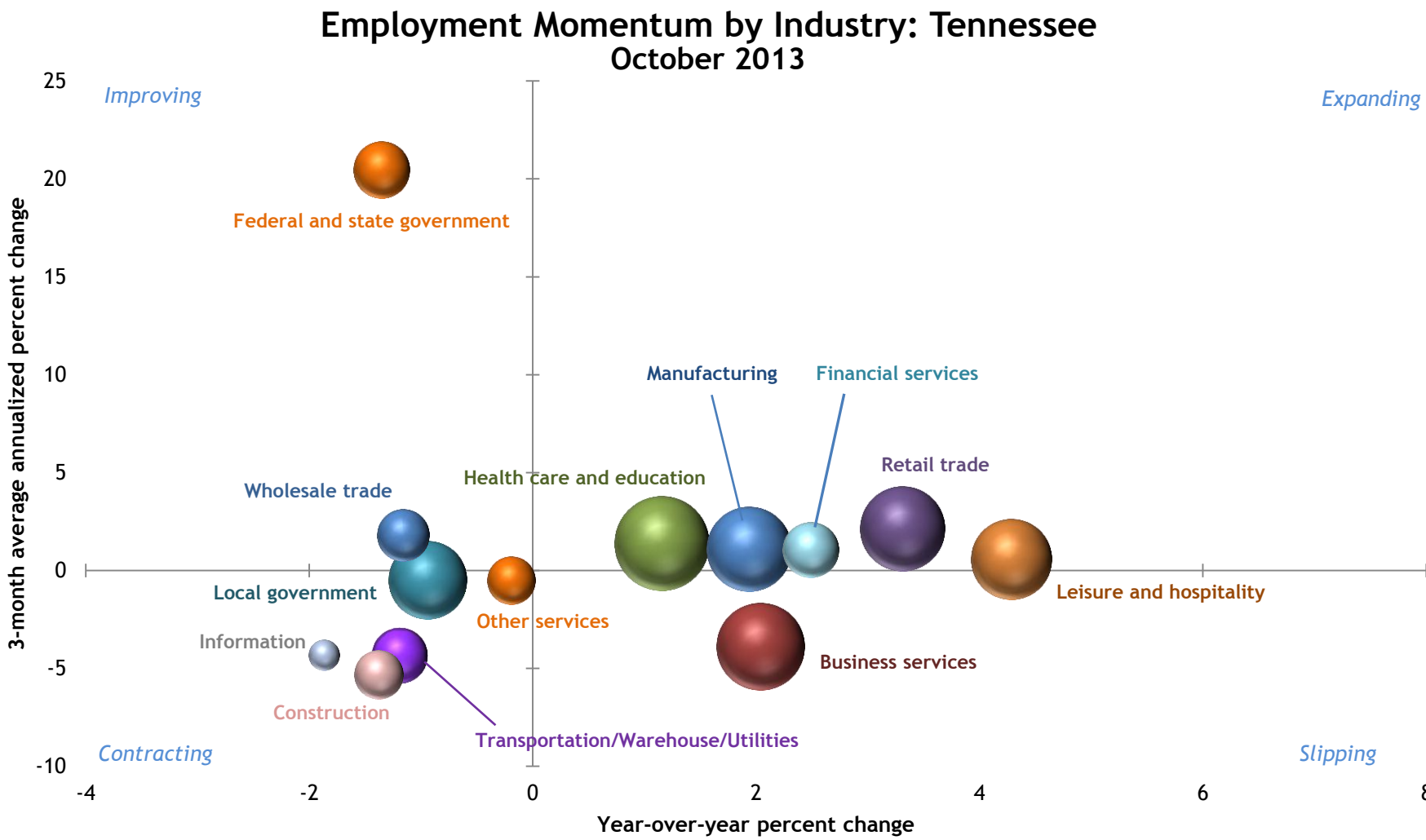


Note: A reading of 0.0 in the “trough to present” measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the “peak to trough” measure indicates that employment continues to increase in these industries; in this instance “trough to present” is the percent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

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

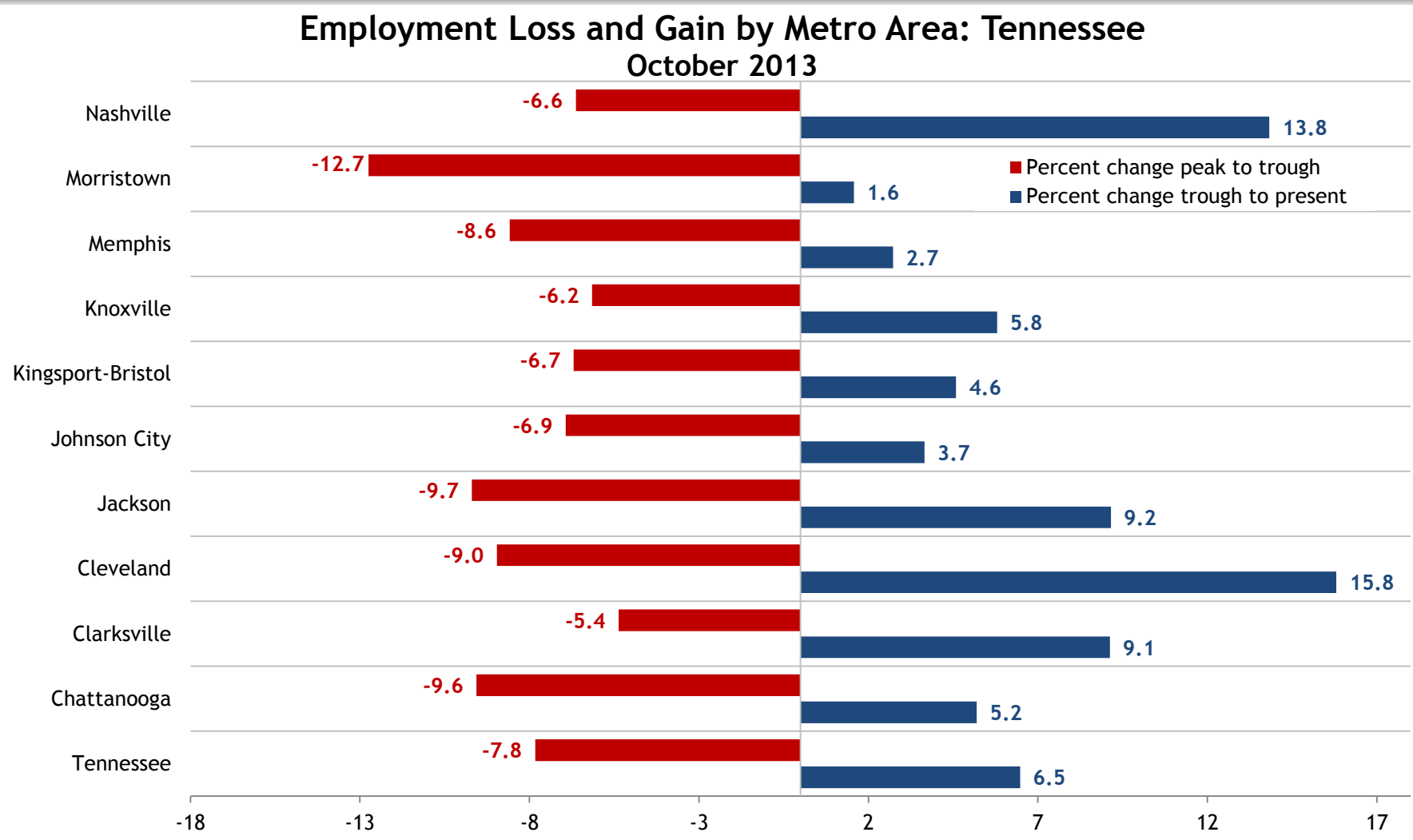
Employment growth momentum has lost steam during recent months. No major industries were firmly in the expanding category during October.

[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, and Clarksville have regained all jobs lost.

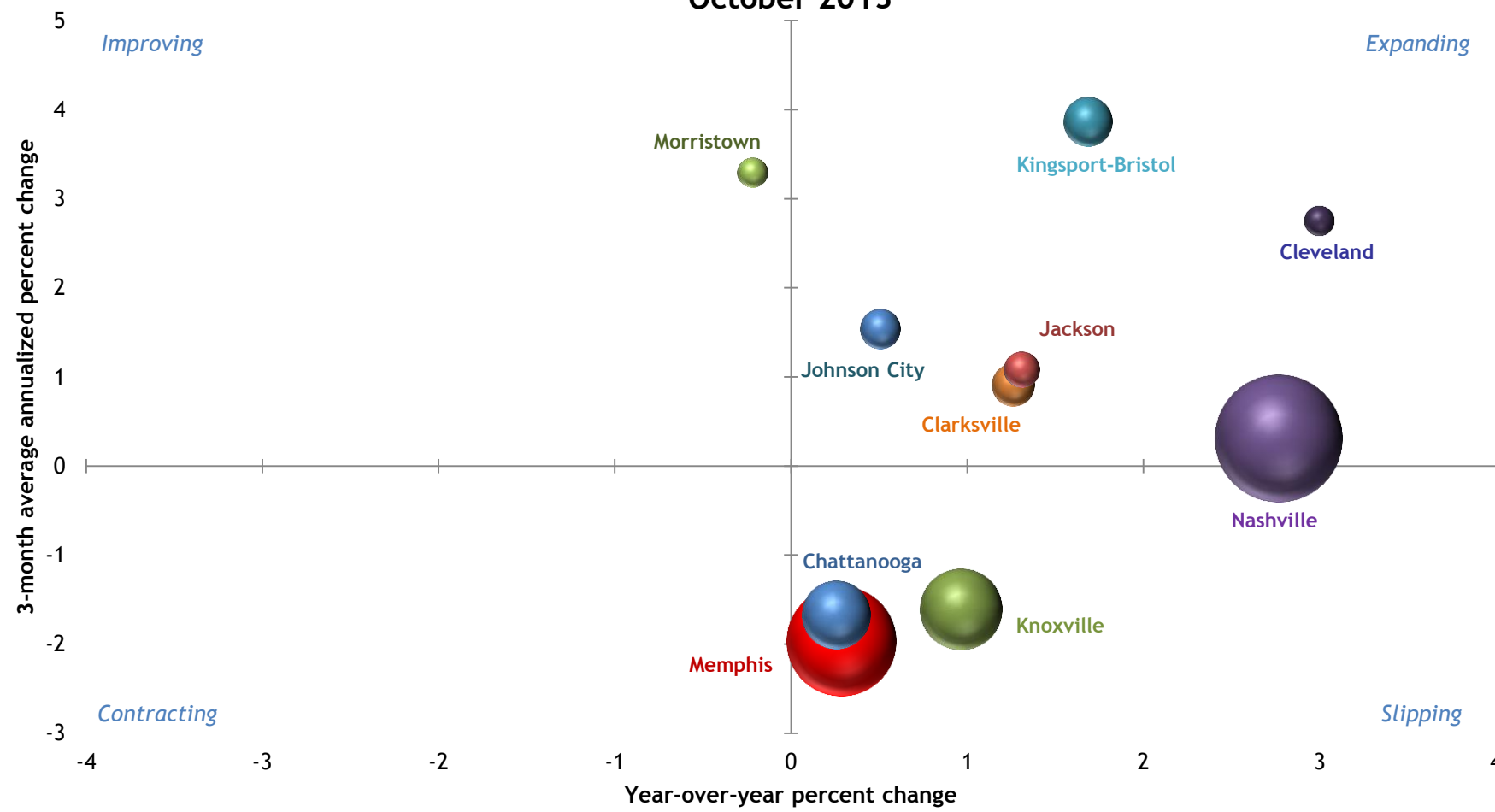


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment growth momentum has slowed recently. In several metropolitan areas employment momentum was still expanding in October, but Chattanooga, Knoxville, and Memphis slipped.

[About Employment Momentum](#)

Employment Momentum by Metro Area: Tennessee
October 2013



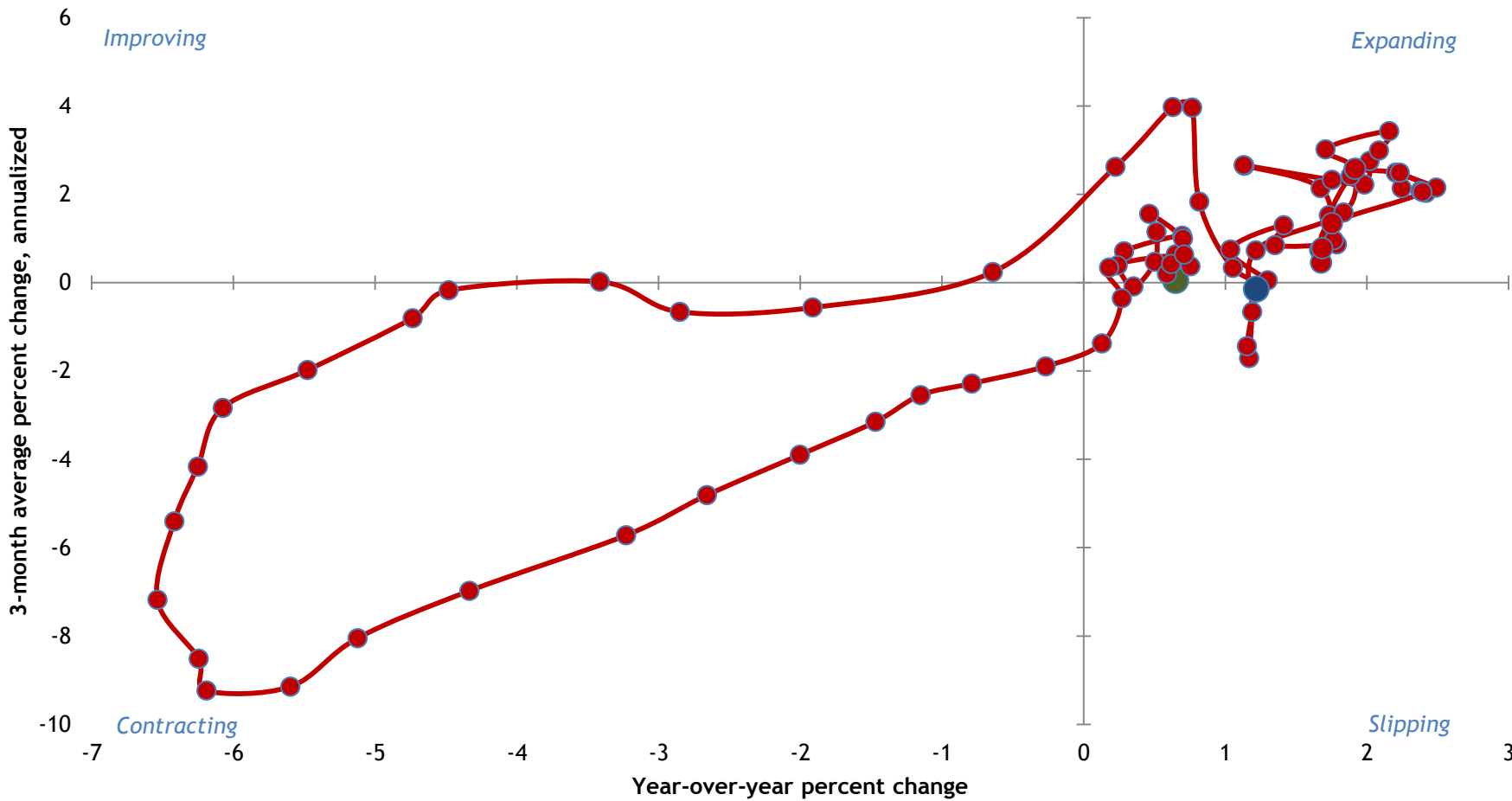
Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

For the state as a whole, employment momentum gained some traction in October after three consecutive months of slippage.

[About Employment Momentum Track](#)

Employment Momentum Track: Tennessee

January 2007–October 2013

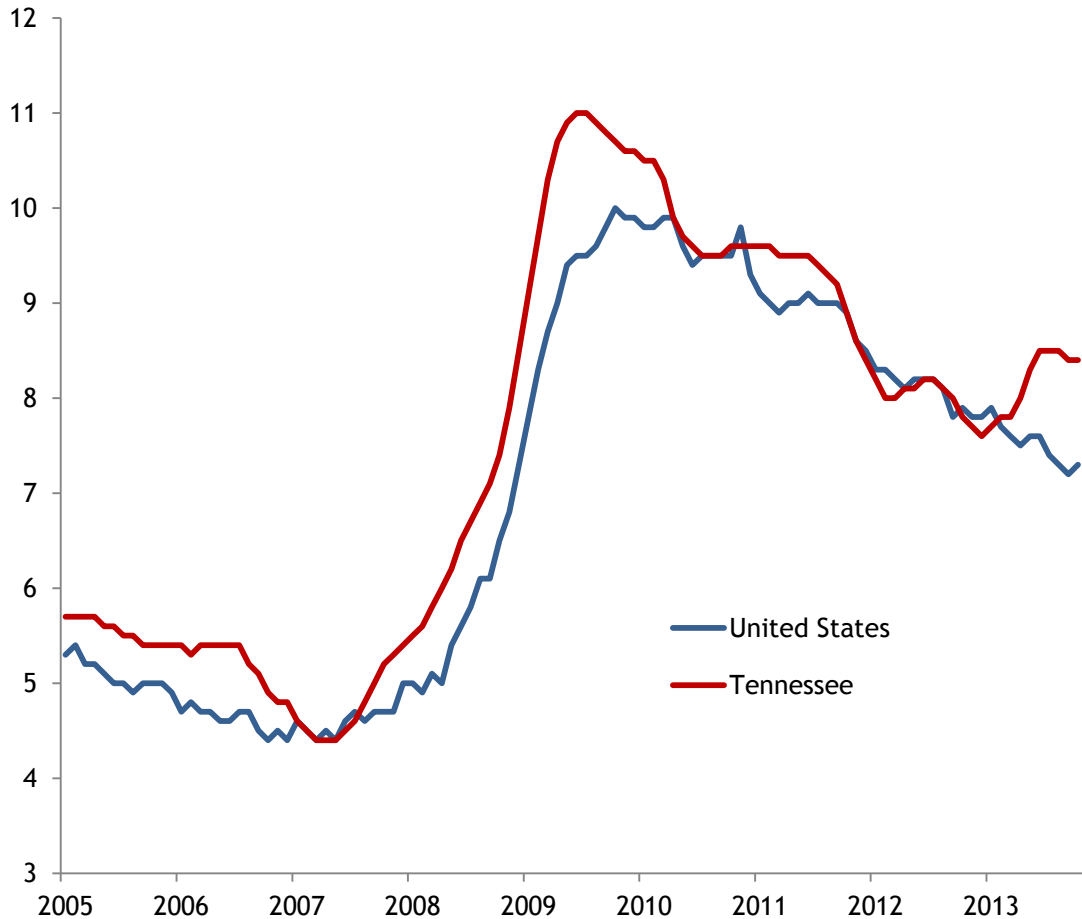


Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

The unemployment rate for Tennessee inched up in 2013 but has flattened in recent months. In October, the state's unemployment rate stayed above the national rate for the ninth consecutive month.

Unemployment Rates October 2013

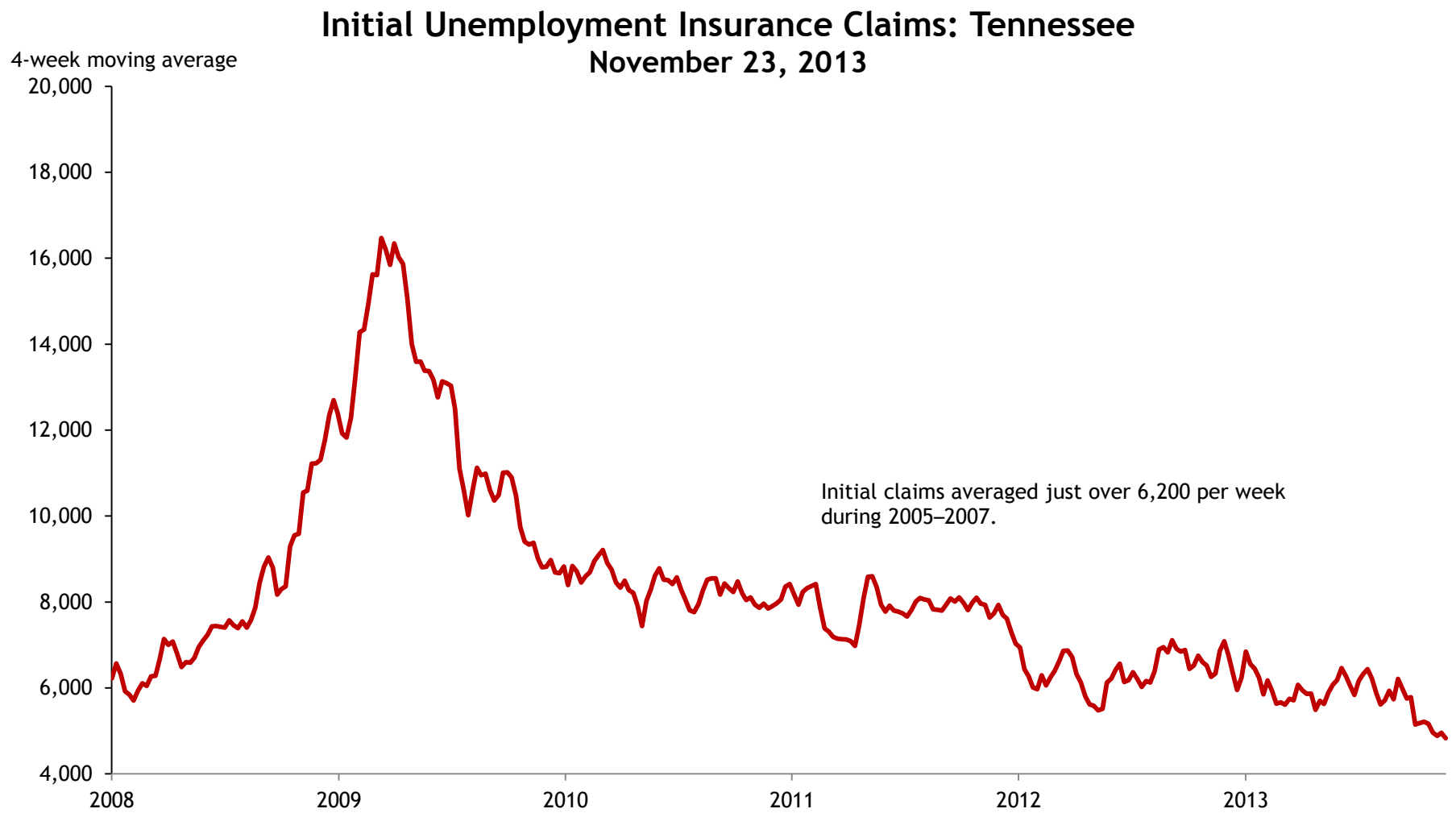
Percent of labor force



| Unemployment Rates | | | |
|--------------------|---------|----------|----------|
| | Current | Year Ago | Jan 2007 |
| United States | 7.3 | 7.9 | 4.6 |
| Tennessee | 8.4 | 7.8 | 4.6 |
| Chattanooga | 7.7 | 7.1 | 4.4 |
| Clarksville | 8.9 | 8.1 | 5.7 |
| Cleveland | 7.9 | 7.1 | 4.9 |
| Jackson | 8.5 | 7.9 | 5.6 |
| Johnson City | 7.8 | 6.9 | 4.8 |
| Kingsport-Bristol | 7.6 | 6.8 | 4.8 |
| Knoxville | 7.0 | 6.2 | 4.1 |
| Memphis | 9.5 | 8.6 | 5.8 |
| Morristown | 9.4 | 8.9 | 6.1 |
| Nashville | 6.6 | 6.1 | 4.2 |

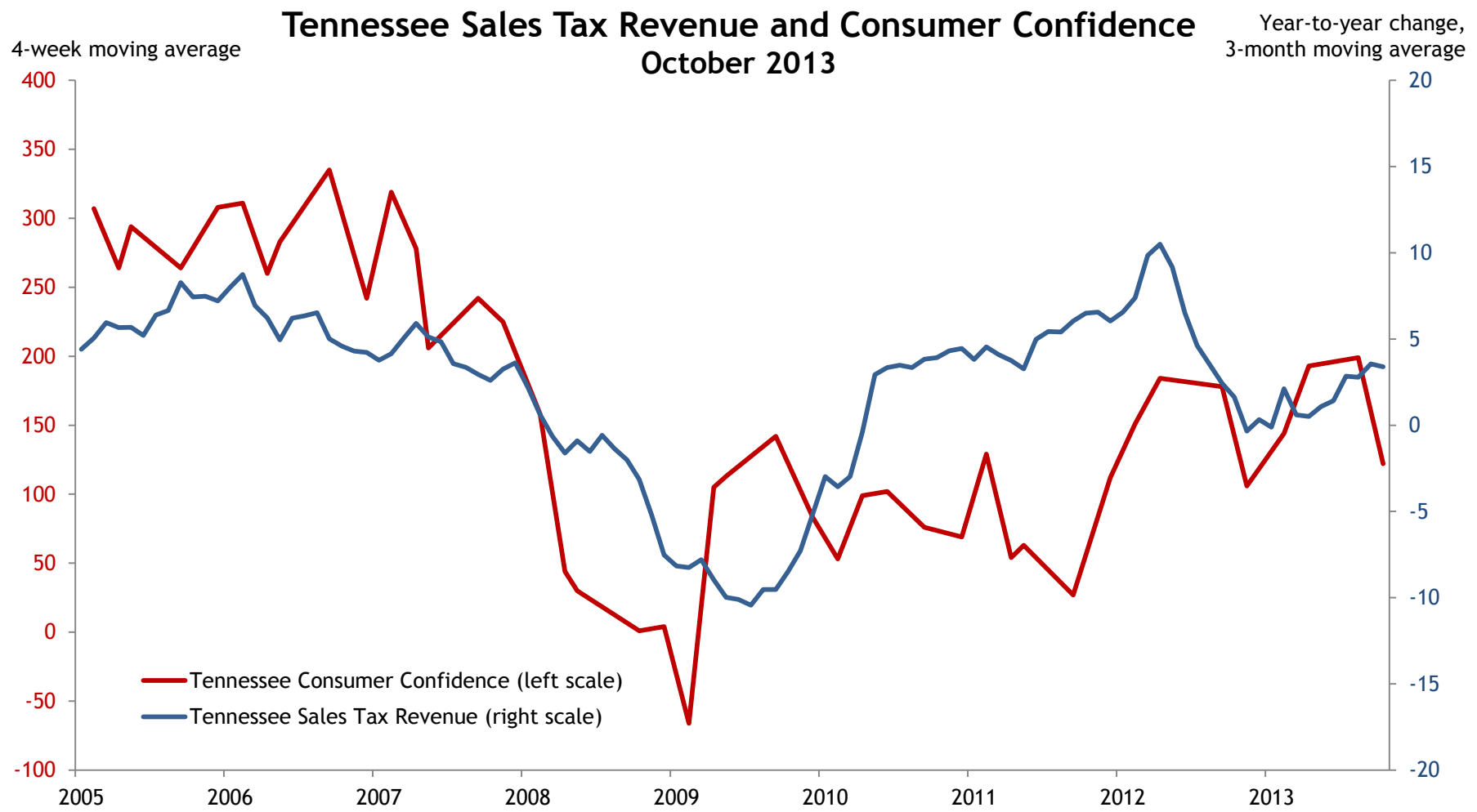
Source: U.S. Bureau of Labor Statistics, Haver Analytics

Initial unemployment insurance claims are now below prerecession levels.



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

Growth of sales tax revenue in Tennessee has slowly crept up since April 2013, but is still lower than the 2011–2012 average.



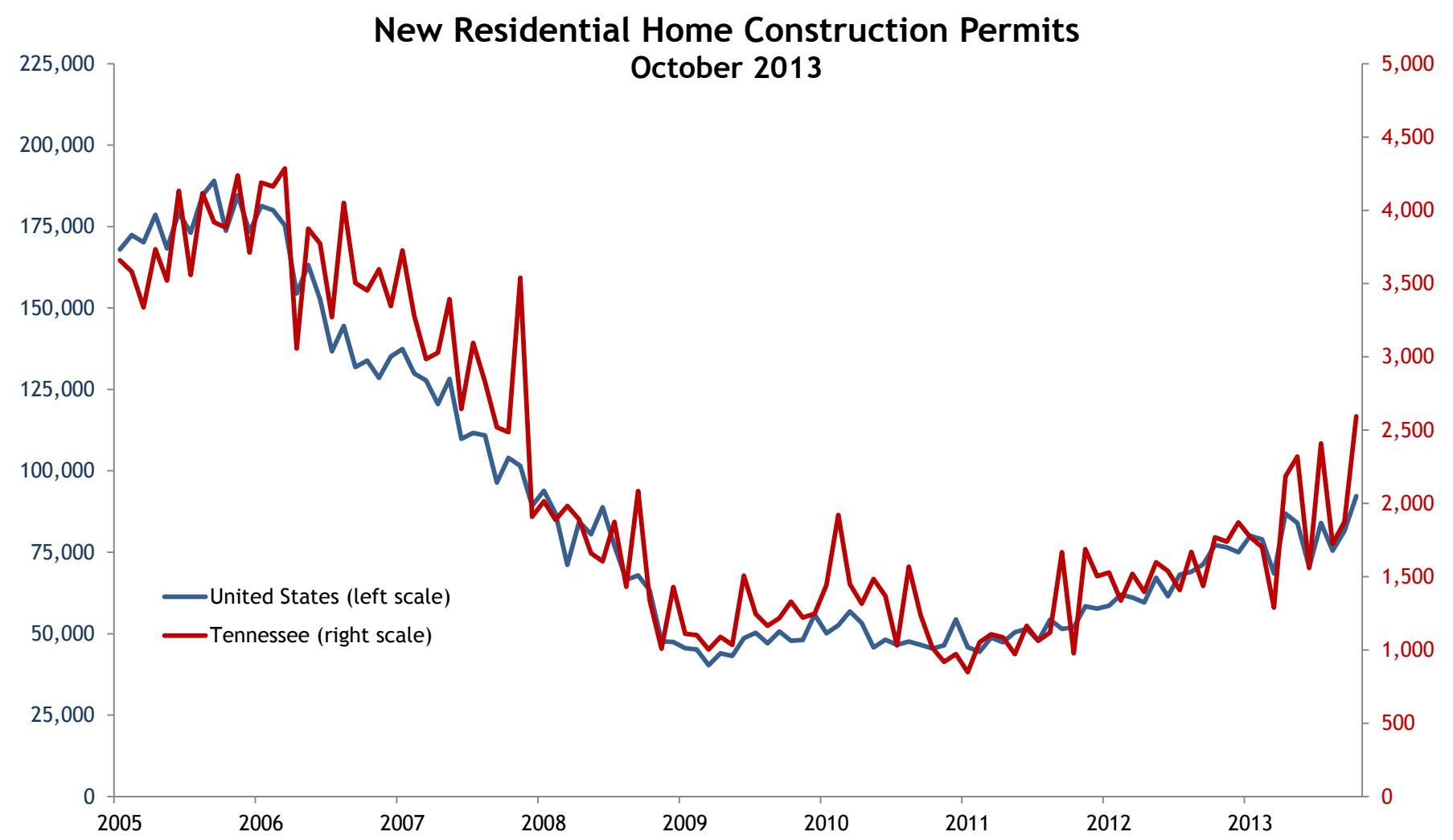
Source: Middle Tennessee State University, Tennessee Department of Revenue

Regional manufacturing activity expanded in October after experiencing its first contraction of 2013 in September. Manufacturing activity contracted in Tennessee during October.



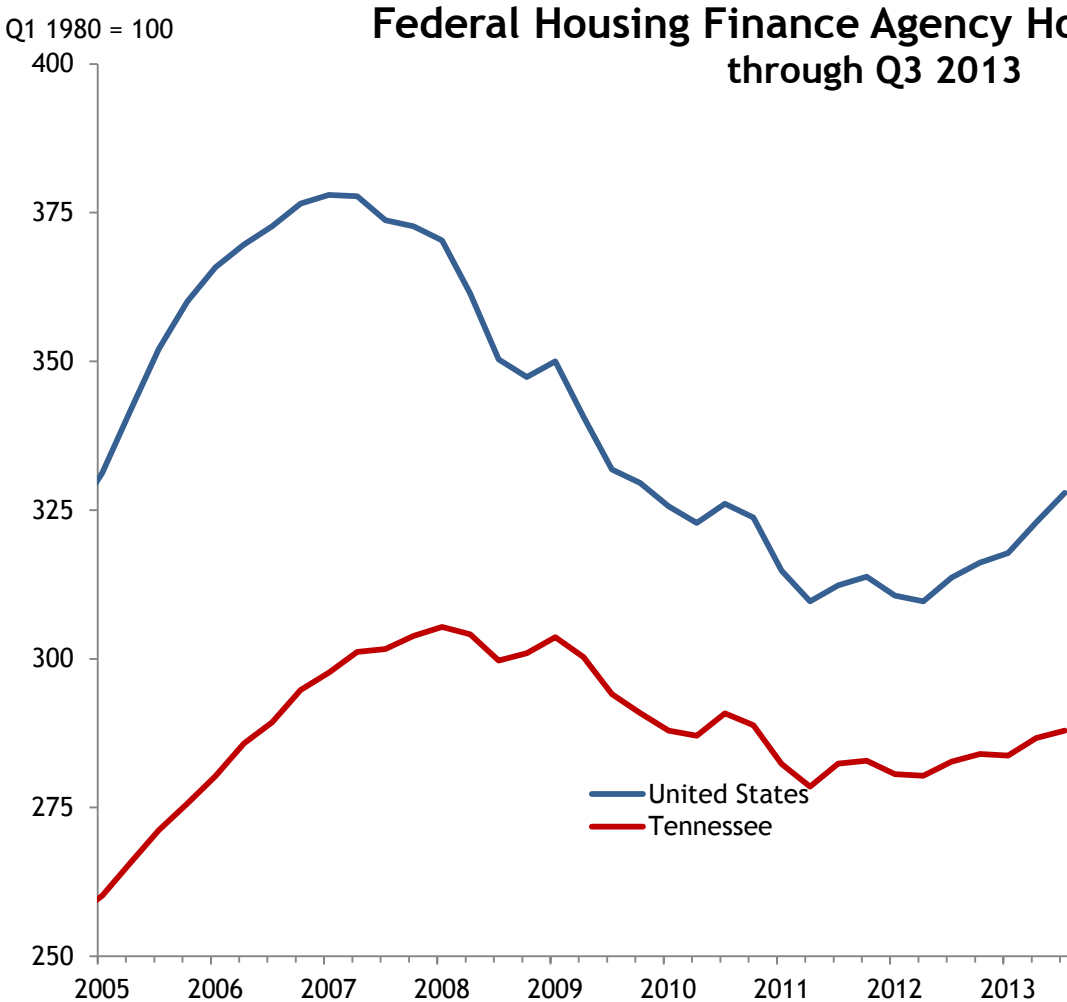
Note: 50+ = Expansion
Source: Kennesaw State University, Coles College of Business Econometric Center

New home construction permits for the United States and Tennessee have been trending up, but they remain at low levels.



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

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

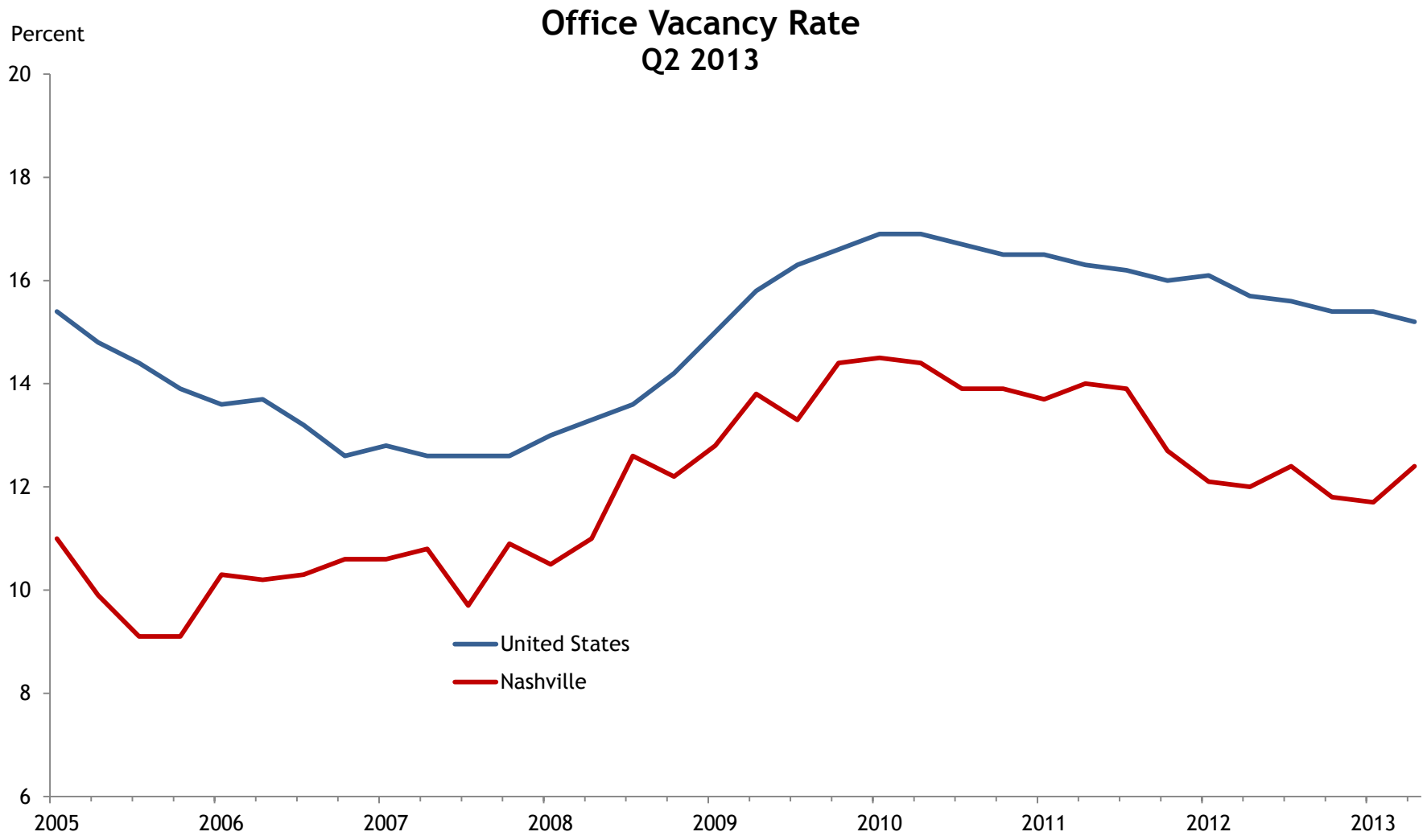


| FHFA House Price Index: Q3 2013 | 1-yr % change | 5-yr % change | 10-yr % change |
|---------------------------------|---------------|---------------|----------------|
| United States | 4.5 | -6.4 | 14.8 |
| Tennessee | 1.8 | -3.9 | 18.7 |
| Cleveland | -1.6 | -4.8 | 15.0 |
| Jackson | -2.6 | -6.6 | 2.9 |
| Johnson City | -0.5 | -2.8 | 25.7 |
| Knoxville | 1.2 | -3.7 | 24.9 |
| Morristown | -0.6 | -7.7 | 15.7 |
| Nashville | 4.1 | -1.4 | 25.8 |
| Chattanooga | 1.2 | -2.6 | 17.6 |
| Clarksville | 0.0 | 2.9 | 29.2 |
| Kingsport-Bristol | 0.9 | -1.5 | 27.4 |
| Memphis | 0.8 | -8.6 | 0.7 |

Source: Federal Housing Finance Agency, Haver Analytics

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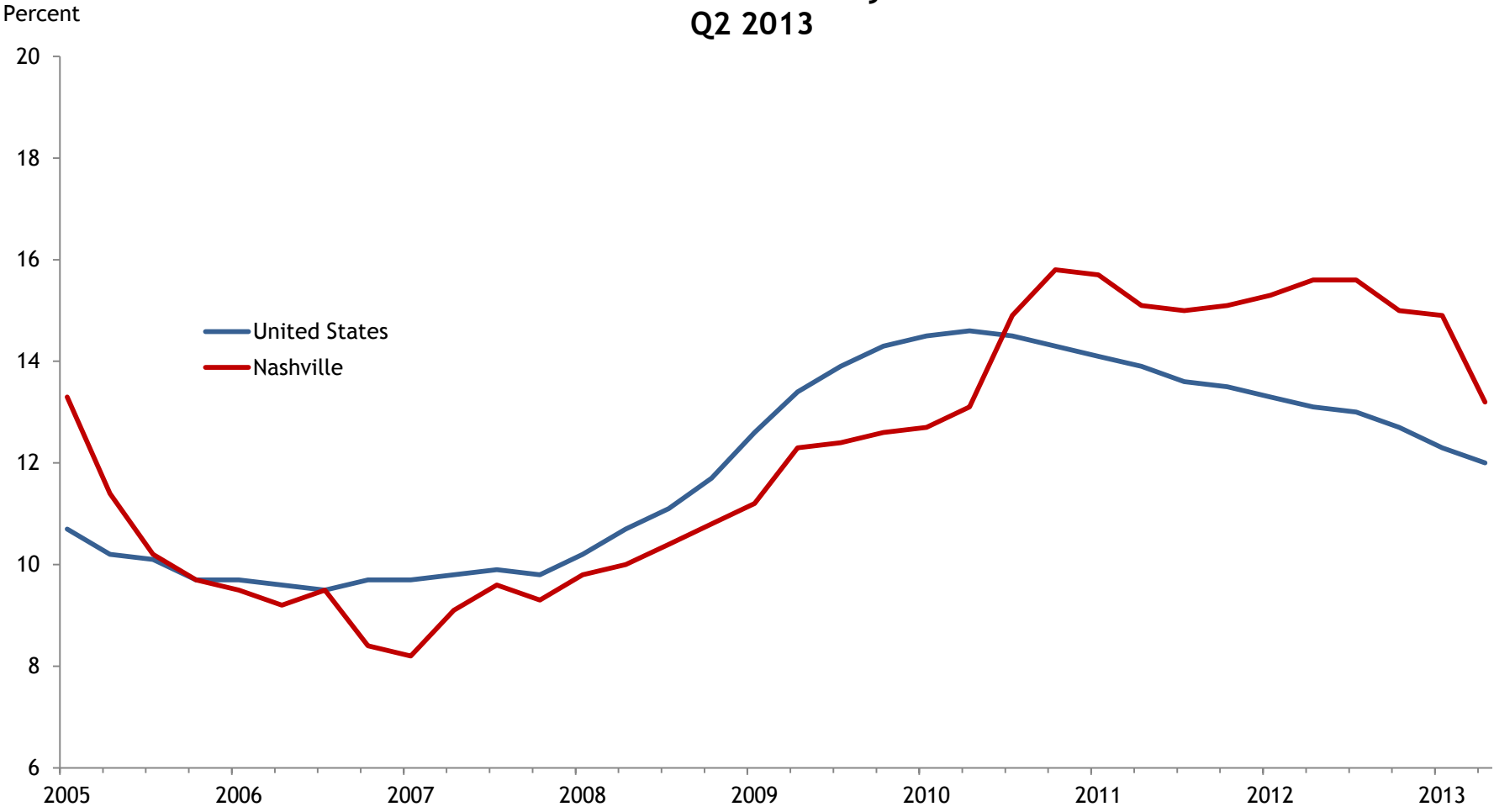
The office vacancy rate is lower in Nashville than in the United States as a whole and has been declining at a faster pace. Nashville saw a mild uptick in vacancy rates during the second quarter.



Source: CB Richard Ellis, Haver Analytics

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

Industrial Availability Rate
Q2 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.